

LONGBAR

The U.S. interest rates paradox

BY ANTHONY HARRIS

WHATEVER THE future of the U.S. economic recovery—a subject of hot controversy between economists as well as politicians—there can be no doubt that until the recent pause, there has been a sharp and sustained rise in activity since March 1975; but this has been accompanied throughout by interest rates which have been fluctuating around a falling trend...

Judd's brief discussion in the latest quarterly review from the New York Fed. would not have appealed to John G. Coatsworth for its failure to explain the independent explanations each of which, if true, renders the other two unnecessary...

Expectations

The first, which will strongly appeal to the forecasters of the Treasury and the Bank of England, is that falling interest rates reflect falling inflationary expectations. Our officials have to be aware that this is a fallacy...

What I find very suspicious is that short-term rates have fallen far more sharply than long-term rates. If this is a response to lower inflationary expectations, it is an illogical one...

APPOINTMENTS

Sir Eric Faulkner joins Finance for Industry

Sir Eric Faulkner, who is chairman of the Board of the Financial Industry, has joined the Board of the newly-created Finance for Industry...

Mr. Hugh Cabbie has been appointed a director of NATIONAL WESTMINSTER BANK and chairman of its Outer London Regional Board...

Mr. R. L. Thorne, general manager of Bland and Fife, has been appointed managing director of the new company...

Mr. Cyril Gallimore, managing director of Ideal-Standard, has been appointed as a vice-president of the Board of the Financial Industry...

Mr. M. E. Kelsey has been appointed managing director of SEALED MOTOR CONSTRUCTION, a subsidiary of the Financial Industry...

Mr. R. A. Peattie, who has been a member of the Central Electricity Generating Board since 1972, is to be appointed chairman of the SOUTH EASTERN ELECTRICITY BOARD...

Mr. Norman S. Dabbs has been appointed joint managing director of R. G. BROWN AND CO., a subsidiary of Central Vacuon...

Mr. V. M. Cobb has been appointed a director of D. M. LANCASTER and as non-executive chairman...

Mr. J. Waddleton, who consented to become chairman for a temporary period, will remain as a director until the end of March...

Mr. Lewis White, who would normally be due to retire as a director of LONDON AND MANCHESTER ASSURANCE at the next annual meeting...

Mr. K. Williams, a director and previously chief executive of the Royal Exchange Assurance Corporation, has been appointed managing director...

Mr. J. L. Mackesson-Sandbach has joined the Board of ROYAL INSURANCE SERVICES, a subsidiary of Royal Indemnity...

Mr. E. A. Wilkinson will be joining the Board as from February 1, Mr. Mackesson-Sandbach and Mr. Wilkinson were both directors of France Fenwick Insurance...

Mr. E. K. D. Bridger has been appointed an additional Director of C. E. HEATH AND CO. (NORTH AMERICA) and at the same time has resigned as a director of C. E. Heath and Co. American Reinsurance Broking...

Mr. J. L. Mackesson-Sandbach has joined the Board of ROYAL INSURANCE SERVICES, a subsidiary of Royal Indemnity...

Mr. E. A. Wilkinson will be joining the Board as from February 1, Mr. Mackesson-Sandbach and Mr. Wilkinson were both directors of France Fenwick Insurance...

Mr. J. Waddleton, who consented to become chairman for a temporary period, will remain as a director until the end of March...

Mr. V. M. Cobb has been appointed a director of D. M. LANCASTER and as non-executive chairman...

Mr. J. Waddleton, who consented to become chairman for a temporary period, will remain as a director until the end of March...

Mr. Lewis White, who would normally be due to retire as a director of LONDON AND MANCHESTER ASSURANCE at the next annual meeting...

Mr. K. Williams, a director and previously chief executive of the Royal Exchange Assurance Corporation, has been appointed managing director...

Mr. J. L. Mackesson-Sandbach has joined the Board of ROYAL INSURANCE SERVICES, a subsidiary of Royal Indemnity...

Mr. E. A. Wilkinson will be joining the Board as from February 1, Mr. Mackesson-Sandbach and Mr. Wilkinson were both directors of France Fenwick Insurance...

Mr. E. K. D. Bridger has been appointed an additional Director of C. E. HEATH AND CO. (NORTH AMERICA) and at the same time has resigned as a director of C. E. Heath and Co. American Reinsurance Broking...

Mr. J. L. Mackesson-Sandbach has joined the Board of ROYAL INSURANCE SERVICES, a subsidiary of Royal Indemnity...

Mr. E. A. Wilkinson will be joining the Board as from February 1, Mr. Mackesson-Sandbach and Mr. Wilkinson were both directors of France Fenwick Insurance...

Queen to open Sandringham House to the public this summer

BY OUR KINGS LYNN CORRESPONDENT

THE QUEEN will open her private residence, the 27-room Sandringham House, to the public for the first time this spring, starting on May 13. The Jacobean-style century-old mansion is expected to attract half a million tourists during the five-month season...

Sightseers will pay 30p an admission to the 70-acre Sandringham House and grounds for a further 30p to enter Sandringham House. Officials at Sandringham hope there will not be too many visitors and have asked the public to spread their visits through the season...

Merry Cricketer likely to score

BY DOMINIC WIGAN

A FASCINATING CLASH is in prospect at Wincanton this afternoon when Fred Winter will make his debut for Devon, Pencil and Sumner will be in the line-up for the John Bull Chase in which the 100 to 1 shot Sweet which is the only other runner...

Wind and Queen's College appear to have relatively simple tasks. Desert Wind showed his class in running in the first hurdle race on Monday to suggest that he will outpace another modern...

ENTERTAINMENT GUIDE

OPERA & BALLET

COLISEUM, 8.30 (8.15) ENGLISH NATIONAL OPERA. Tonight at 8.15: 'The Merry Widow'. Tomorrow at 8.15: 'The Barber of Seville'.

THEATRES

HAYMARKET, 8.30 (8.15) ENGLISH NATIONAL OPERA. Tonight at 8.15: 'The Merry Widow'. Tomorrow at 8.15: 'The Barber of Seville'.

HTV

1.30 p.m. Report West Headlines. 1.55 p.m. Report Wales Headlines. 2.00 Women Only. 2.15 The Lunch Hour on the Radio. 2.30 The Big Game.

SCOTTISH

11.30 a.m. Road and Weather Report. 11.50 Women Only. 12.00 Land of the Giants. 12.15 Feet and His Friends. 12.30 Crossroads. 12.45 Scotland Today.

SOUTHERN

1.30 p.m. Southern News. 2.00 Women Only. 2.15 The Lunch Hour on the Radio. 2.30 The Big Game.

TYNE TEES

1.30 p.m. Southern News. 2.00 Women Only. 2.15 The Lunch Hour on the Radio. 2.30 The Big Game.

ULSTER

1.30 p.m. Southern News. 2.00 Women Only. 2.15 The Lunch Hour on the Radio. 2.30 The Big Game.

WESTWARD

1.30 p.m. Southern News. 2.00 Women Only. 2.15 The Lunch Hour on the Radio. 2.30 The Big Game.

YORKSHIRE

1.30 p.m. Southern News. 2.00 Women Only. 2.15 The Lunch Hour on the Radio. 2.30 The Big Game.

BBC Radio London

1.30 p.m. Southern News. 2.00 Women Only. 2.15 The Lunch Hour on the Radio. 2.30 The Big Game.

F.T. CROSSWORD PUZZLE No. 3,278

4.40 Blue Peter. 5.05 John Craven's Newsround. 5.15 Screen Test. 5.35 Magic Roundabout. 5.40 News. 5.55 Reporting England. 6.20 Nationwide. 6.45 Tomorrow's World. 7.00 Top of the Pops. 7.15 The Rockford Files. 8.35 Wildlife on One. 8.00 News. 8.25 The Good Old Days. 9.00 Regional News. 9.15 London. 9.35 Play School. 10.00 Tonight. 11.40 Weather/Regional News.

Crossword puzzle grid with numbers 1-30 indicating starting positions for clues.

ACROSS 1 Saury frolics (6). 4 Part of a light for the odd (7). 7 German king ran inside the Italian town (7). 11 Side-tracked by attention to Health (7). 12 The fence causes a laugh (12, 21). 13 Expression of condolence welcomed by mice (4, 6). 14 Ancient Greek found among the finest orators (6). 16 'I met a traveller from an antique land' (Shelley) (7). 20 Wrongly pursued and unlawfully seized (7). 21 Put me right on the university college (6). 24 They mean a slow round, but are patronised by those short of cash (5, 5). 26 The favourite's turn for a short journey (4). 28 Take a dip to the river and drink deep (7). 29 Attractive, but you can't win them all (7). 30 New ties to make peace (8). 31 Some French in the exam can be a trial (6).

DOWN 2 Pert fellow—with a warm heart (4). 3 Bury in bags (6). 5 Dad finds an unhappy girl in California (6). 8 Approximate supplement for a horse-breaker (10). 9 Bring the ——— primrose that forsaken dies (Milton) (8). 10 This is the animal to worry (2, 3, 4). 15 Degenerate rebel in the depression (8). 18 Object to a toff—but it turns out all right (12, 4). 22 Adhere to credit board (6). 23 Note the legal code has defects (5). 24 Put me right on the university college (6). 27 Ball wants a spell for a game of (4).

SOLUTION TO PUZZLE No. 3,277

ACROSS 1 Saury frolics (6). 4 Part of a light for the odd (7). 7 German king ran inside the Italian town (7). 11 Side-tracked by attention to Health (7). 12 The fence causes a laugh (12, 21). 13 Expression of condolence welcomed by mice (4, 6). 14 Ancient Greek found among the finest orators (6). 16 'I met a traveller from an antique land' (Shelley) (7). 20 Wrongly pursued and unlawfully seized (7). 21 Put me right on the university college (6). 24 They mean a slow round, but are patronised by those short of cash (5, 5). 26 The favourite's turn for a short journey (4). 28 Take a dip to the river and drink deep (7). 29 Attractive, but you can't win them all (7). 30 New ties to make peace (8). 31 Some French in the exam can be a trial (6).

DOWN 2 Pert fellow—with a warm heart (4). 3 Bury in bags (6). 5 Dad finds an unhappy girl in California (6). 8 Approximate supplement for a horse-breaker (10). 9 Bring the ——— primrose that forsaken dies (Milton) (8). 10 This is the animal to worry (2, 3, 4). 15 Degenerate rebel in the depression (8). 18 Object to a toff—but it turns out all right (12, 4). 22 Adhere to credit board (6). 23 Note the legal code has defects (5). 24 Put me right on the university college (6). 27 Ball wants a spell for a game of (4).

Nail and

Thursday January 13 1977
Cranford
this summer

The Financial Times Thursday January 13 1977
Crane Kalman Gallery/Nicholas Treadwell Gallery

Naive and sporting paintings— ancient and modern

by WILLIAM PACKER

There is something especially attractive about Naive Art; or perhaps it is really the idea of it that holds us, for there is a particular reassurance in the thought that our own small children, too, or even ourselves, should be put our minds to the matter, could do just as well. We are all amateur after all, and really quite as good as one another: and we admire the quality when we see it in others just as we cultivate it jealously in ourselves. To those of us who know nothing about Art, and are not moved to learn, but know very well what we like, naive and innocent art opens an entire new world to us to enjoy and appreciate unhampered by such awkward and nagging considerations as form, control, skill



Here and Hounds: oil on tin tray

Book Reviews are on Page 29

and judgment; good intentions are enough, and charm carries the day. Which is not to say that such stuff should not be looked at carefully even seriously, but rather that we should take great pains not to apply double standards and thereby deceive ourselves.

The innocent, untutored, unsophisticated artist, whether child or pensioner, sees the world, and works from it, with an uncomplicated simplicity and a directness that together may precipitate images of great power, of truly iconic authority. We know very well what they stand for, and so, just as we make allowance for the evolution of pictorial conventions when viewing the great art of the past, we readily forgive the technical inadequacy and literal inaccuracy that more skilled and learned contemporary artist might in the first case conscientiously avoid, and not attempt in the second.

One would hope, indeed expect the unprejudiced viewer, enjoying the one, to respond to the

other; but this seldom happens. Modern Art (that strange and complex beast) retains its frightful reputation, yet its wiles do not travel well: garish colour so soon bespeaks a cheerful originality, crudeness an engaging boldness, bad drawing a refreshing simplicity. It may even happen, like the late Mr. Lowry, that a difficult and idiosyncratic artist, but no naïf, is treated suddenly, as though he were, when, overnight, excretion turns to universal praise.

The issue is nicely balanced, however, for the set world itself, a community generally remarkable for its discernment and refinement of its judgment, has always been fascinated by the primitive naïf; and artists have been

among the first to bring the great naive painters, Rousseau, for example, and Wallis, to general notice. Moreover, the qualities admired in such work are precisely those formal qualities that less specialised eyes ignore: crude drawing, ingenious composition, vivid colour, and a single-minded pursuit of the image. And it is no surprise at all that so distinguished a dealer as Mr. Andras Kalman should have put together an important collection of such work (from the 19th century) for his private instruction and delight. His collection, "English Naive Paintings," has at last come to London after an extensive tour, occupying the Crane Kalman Gallery until mid-February.

you see, especially so when feeling at his best, that the Naïf is always a Boojum. Many of the works fall within the category of Sporting Paintings, which is a genre of long and respectable antecedents but now neglected and badly served. And yet our Sportsmen are still among the great heroes and bombardiers of our age, our society bombarded with their images and their pastimes are a worthy subject for the artist as ever; and Nicholas Treadwell has put it to his artists as the theme for his winter exhibition. It proves both interesting and disappointing, and the trouble seems to lie within the very nature of the exercise. Mr. Treadwell has organised similar shows, centring upon a single imposed idea, at regular intervals over several years, and the artists must enjoy the test, for they all take part willingly enough. But the pattern is now set: what was an engaging diversion has taken over, its artists in some danger of being merely part of the circus.

We hardly see enough of a particular artist's work to judge him fairly, and what we do see is often in these playful circumstances, too often an arc and facetious over-literary response to the subject to be coincidental, and relying to an alarming extent upon heavy sexual innuendo. Such things soon become very tiresome, and it is not an accident that the best things are almost invariably the most straightforward: here Roy Abernethy's bowling green stands apart in this naughty world, along with Harry Holland's fobbery Hopper, the best paintings in the gallery. Mr. Treadwell has some good artists in his stable, and his gallery is always fun to visit; but the real test, not only for the two mentioned above, but also such artists as Eric Scott, Michael Francis, Graham Dean, Robert Knight and several others, is a simple and concentrated showing of their work.

The exhibition "Sporting Paintings 1976" remains open until January 22.

Record review.

Punk rock

by ANTONY THORNCROFT

KURSAAL FLYERS: Golden Mile: CBS 81622.
PATTI SMITH: Radio Ethiopia: Arista Sparty 100L.
LOU REED: Rock and Roll Heart: Arista 142.
JACKSON BROWNE: The Pretender: Asylum 7E 107B.
AL STEWART: Year of the Cat: RCA RS 1062.
LINDA RONSTADT: Greatest Hits: Asylum K 53055

Velvet Underground, and the New York drug culture of the late sixties. Patti Smith's latest album "Radio Ethiopia" has all the rough, violent, sinister, threatening force of punk rock, but permeated with some intelligence and a surprising artistic appeal. Songs like "Ask the Angels" and "Pumping (My Heart)" mesmerise the senses with great facility. It is not the kind of music to be proud of enjoying, but a creative experience is there. As the album sleeve says, "beauty will be convulsive or not at all."

This could be a good new year for popular music, thanks partly to the Sex Pistols. It's unlikely that the group will reappear from the hysterical, if deserved, drubbing it received at the hands of an indignant Press, but the contribution of the Pistols as myth explorers is much more valuable than their own amateurish music.

It is quite interesting to wonder why the U.K., which has done so well out of the popular music industry, has never produced a worthwhile lyricist—probably the national vision is too blinkered. One of the few exceptions is Al Stewart, whose "Year of the Cat" album is bringing him the success in the States which so sadly he never received at home.

The Sex Pistols was the conveniently placed beneficiary of a swing away by a new generation of youth from the first wave of pop superstars, who have adjusted only too well to the enormous riches that musical success can now offer. Wealth and age, has created a tremendous gulf between the musical interpreters of the original teenage revolution and its successor.

Lou Reed sounds as if he enjoyed discovering his innocence on this album, which might amuse anyone in their thirties who wonders what happened to the pop of his youth. But I can't imagine Patti Smith rebelling on the cause so blatantly and so commercially.

The glue-sniffing, safety-pin facing supporters of the Pistols expressed the current frustration of the new and welcome assertion of independence. The trouble is the band expressed it badly, and unrepresentatively—the uneducated, dead end-punks, are still in minority. But the Sex Pistols epitomised the change that everyone has been predicting for years in musical styles. There is suddenly a wealth of new British bands like Racing Cars, Desf School, Meat Ticket, and most promising, the Kursaal Flyers, which like Dr. Feelgood, comes from the Southend region, and has a first album "Golden Mile" which, while not very advanced musically, neatly interprets the fresh approach.

Jackson Browne probes deeper into the emotions than any British musician, and it looks as if American artists will maintain the domination they have regained in the last few years. They have had another look at their roots and come up with country rock which has plenty of strength left in it. In the next few weeks the McGarrigle sisters make a welcome quick return to this country; there is a new album from Emmylou Harris; and Ry Cooder finally arrives supported on tour by Meat Ticket.

But the great achievement of 1976 belongs to Linda Ronstadt who finally overcame the inhibitions which so sadly he never received at home.

It is useless predicting the recent trends of 1977 because the most successful records of the year will be those that receive the most television advertising support (plus, of course, Abba). But there must be growing recognition for Jackson Browne.

This American singer-songwriter is criticised for his lugubrious approach, the pessimistic slant which haunts most of his songs. He is a musical



Linda Ronstadt

Apollo et Hyacinthus

My Byers deserved his fine the time but not invariably stretch of accompanied recitative before the death of Hyacinth. To Oebalus also falls a solo inset in the chorus, anticipating Elertra's similarly placed strophe in *Idomeneo*. The big arias are remarkable for a first half of this long concert and rather overshadowed too long; the two duets are more remarkable still, the first (for Apollo and Mella) stormy, the second (for Mella and Oebalus) ravishing in Mozart's pastoral vein, with sighing, muted strings. Apollo, an alto role, was Richard Hill, star-by in recitative, more lively in aria and duet. Of the brother and sister who God deigned to love, Kate Flowers as Mella was lively all

RONALD CRICHTON

Wignmore Hall

ISM soloists

by DOMINIC GILL

The outstanding talent of the soloists who gave a diverting last two of the week's two programmes, but especially very much by "Vandenberg's young man" and an agonising, pedestrian performance of Schubert's "The Shepherd Boy" which was a disaster. The previous evening, we had a superb performance by Peter Seaman and a clarinet solo by Christine Page sang by the same soloist. The beginning of last night's performance was written by the same composer (not by one of them) but by another, perhaps Gerald Finzi, and as if once this had been marked down for performance, she appeared to be incapable of singing quietly, and tramped through Wolf's *In dem Schatten meiner Locken* without so much as glancing at its slender caracots, delicate wind-blown tresses.

St. John's, Smith Square

Mozart Vespers

by MAX LOPPERT

In one of those maddening flashes that highlight the anarchic want of co-ordination that besets London's concert planning, two rare Mozart works were last night performed in different places—Apollo et Hyacinthus on South Bank, Vespers in C.K.321 at Smith Square. Anyone glad to hear one must surely have desired to hear the other!

Elizabeth Hall

Royal Ballet matinee of 'Romeo and Juliet'

by TESSA MARWICK

Following the cancellation of the Saturday matinee of *Romeo and Juliet* at the Royal Opera House on January 1, an alternative live performance has been arranged for Saturday, January 29, at 2.30 p.m.

of the ballet meant that his small, finely placed tone was heard in comfort without strain. In his calm, inward-looking way, his playing was beautiful, unexaggerated and exact in musicianship. A pity that he and Mr. Poole were unable to synchronise the tempo changes of the Rondo with greater accord.

Almost Free

Patty Hearst

by MICHAEL COVENEY

The story of Patty Hearst is that DeFreeze pulls her round one of those mythical legends by touching her breasts and that America ferociously feels from time to time. This tale had everything: the daughter of a famous newspaper proprietor and whose family business had already been the subject of one of the century's most potent films, *Citizen Kane* is kidnapped and held to ransom by a crazy group of self-styled urban guerrillas, the Symbionese Liberation Army; from messages she sends it appears that she has fallen under the philosophical spell as well as the physical charm of the group's leader, Donald DeFreeze (otherwise known as General Field Marshal Claude Mume), she is rechristened Tanya in memory of the girl-friend of Che Guevara, and appears with a machine gun to rob a bank with her new-found cronies. Finally, after she is gunned down and the others annihilated by the FBI, she returns to the family bosom and a seven-year jail sentence.



Leonard Bert Vincent Ebrahim, Robyn Goodman, Joseph Charles and Sherrill Berk

that DeFreeze pulls her round one of those mythical legends by touching her breasts and that America ferociously feels from time to time. This tale had everything: the daughter of a famous newspaper proprietor and whose family business had already been the subject of one of the century's most potent films, *Citizen Kane* is kidnapped and held to ransom by a crazy group of self-styled urban guerrillas, the Symbionese Liberation Army; from messages she sends it appears that she has fallen under the philosophical spell as well as the physical charm of the group's leader, Donald DeFreeze (otherwise known as General Field Marshal Claude Mume), she is rechristened Tanya in memory of the girl-friend of Che Guevara, and appears with a machine gun to rob a bank with her new-found cronies. Finally, after she is gunned down and the others annihilated by the FBI, she returns to the family bosom and a seven-year jail sentence.

These Bonds have not been and are not being offered to the public. This advertisement appears only as a matter of record.

January 10, 1977

U.S. \$330,303,000*
Can. \$ 68,055,000*

*Maximum amount, subject to reduction to reflect final project costs.

Sidbec-Normines Inc.
First Mortgage Bonds due 1999
Project Financing

Sidbec-Normines Inc., a newly created Quebec corporation owned by Sidbec, British Steel Corporation (International) Limited and Quebec Cartier Mining Company, was established to own and operate an iron mine, a concentrator and a pelletizing plant in the Province of Quebec.

The undersigned acted as financial advisors to Sidbec-Normines Inc. in connection with interim and long-term financing of the project. Long-term financing has been arranged by the undersigned through the direct placement of the above First Mortgage Bonds in the United States of America and Canada.

The First Boston Corporation **Greenshields Incorporated**

EUROPEAN NEWS

Demonstrations and formal protest in Tel Aviv over release of Daoud

BY OUR FOREIGN STAFF

HUNDREDS of demonstrators surrounded the French Embassy in Tel Aviv yesterday to protest at a French court's decision to free Palestinian guerrilla leader Abu Daoud.



The Star of David was flown against the Tricolour at the French Embassy in Tel Aviv yesterday as demonstrators protested against the release of Abu Daoud.

Mr. Ephraim Eron, acting Director-General of the Israeli Foreign Ministry, was reported to have told Ambassador Herlihy yesterday that the course of action adopted by France, apart from serving only to encourage more terrorism, represented a violation of the extradition treaty between the two countries.

Mr. Eron said to be responsible for organising the attack on the Israeli Olympic team at Munich in 1972, the French court rejected an Israeli request to detain him pending processing of an Israeli application for his extradition.

Mr. Tomlinson, answering for Mr. Anthony Crosland, as President of the Council of Ministers, told a group of MPs at the European Parliament that the Council was not expected to reach agreement at its next meeting in Brussels on January 17-18.

Much more than a faux pas

BY ROBERT MAUTHNER IN PARIS

THE RELEASE on Tuesday of Abu Daoud, the Palestinian guerrilla leader by a Paris appeals court has understandably provoked an international outcry.

Mr. Eron said to be responsible for organising the attack on the Israeli Olympic team at Munich in 1972, the French court rejected an Israeli request to detain him pending processing of an Israeli application for his extradition.

Mr. Tomlinson, answering for Mr. Anthony Crosland, as President of the Council of Ministers, told a group of MPs at the European Parliament that the Council was not expected to reach agreement at its next meeting in Brussels on January 17-18.

Under French law he could have been kept in custody for 18 days pending the formulation of formal extradition demands by the two interested governments.

Mr. Eron said to be responsible for organising the attack on the Israeli Olympic team at Munich in 1972, the French court rejected an Israeli request to detain him pending processing of an Israeli application for his extradition.

Mr. Tomlinson, answering for Mr. Anthony Crosland, as President of the Council of Ministers, told a group of MPs at the European Parliament that the Council was not expected to reach agreement at its next meeting in Brussels on January 17-18.

Advertisement for Saitama Bank, featuring a stylized figure and text: 'The unsecret of our success', 'Friendly and efficient service in a dynamic economy...', 'Saitama Bank'.

No early decision on site for JET

By Richard Evans, Lobby Editor

LUXEMBOURG, Jan. 12. THERE is still little prospect of an early decision by the EEC Council of Ministers on a site for the vast JET thermo-nuclear fusion project, according to Mr. Tomlinson, Under-Secretary for Foreign Affairs.

Mr. Tomlinson, answering for Mr. Anthony Crosland, as President of the Council of Ministers, told a group of MPs at the European Parliament that the Council was not expected to reach agreement at its next meeting in Brussels on January 17-18.

Single candidate left to succeed Borg Olivier

By Godfrey Grimms

DR. EDDIE FENECH ADAMI, 43, is now certain to succeed Dr. Georges Borja Olivier as leader of Malta's opposition Nationalist Party.

Bonn backing sought for EEC shipbuilding defence

BY JOHN WYLES, SHIPPING CORRESPONDENT

STRONG DIPLOMATIC efforts are to be launched over the next few weeks to overcome West German reluctance to back an EEC policy for defending European shipbuilding industries against Japanese competition.

Other suggestions being discussed in Brussels include a special dock for the vessels built in Japan, and a specific date. This idea has been supported within the EEC because it would not contravene any GATT agreements, but would discourage shipbuilders from building ships from Japan.

EEC car exports to Japan

Official sources said the EEC is expecting to reach a three-year grace period for cars imported here before the end of April 1978.

EUROPEAN ECONOMIC Community officials begin talks here to-morrow aimed at excluding EEC-produced cars from strict emission control regulations effective in Japan from April 1978.

Opposition discuss Suarez talks

BY ROGER MATTHEWS

TWO SEPARATE meetings of Opposition parties were held in Madrid to-day to co-ordinate policies for achieving a full democracy in Spain and to review the results of the talks last night between the four-man negotiating team and Prime Minister Adolfo Suarez.

Members of ETA, the Basque separatist group, this organisation has claimed responsibility for the shooting of a factory worker in Bilbao yesterday. It is said, was a former ETA member and later became a police informer.

Czech dissidents under attack

BY PAUL LENDVAI

THE CZECHOSLOVAK party of imperialism and its proven agent, his colleague Vaclav Havel as "a fierce anti-socialist."

Members of ETA, the Basque separatist group, this organisation has claimed responsibility for the shooting of a factory worker in Bilbao yesterday. It is said, was a former ETA member and later became a police informer.

Honecker visits Belgrade

BELGRADE, Jan. 12.

EAST GERMAN leader Erich Honecker arrived to-day for two days of talks with President Tito of Yugoslavia, expected to centre on expanded bilateral economic co-operation and relations between European Communist Parties.

Members of ETA, the Basque separatist group, this organisation has claimed responsibility for the shooting of a factory worker in Bilbao yesterday. It is said, was a former ETA member and later became a police informer.

Union spanner in the works of Italy's state machine

BY DOMINICK J. COYLE

A NONE too quiet revolution is under way—and still mainly underground, as it were—in the Farnesina, the gaudy, if functional building overlooking the Tiber which was intended originally to be the new headquarters for Mussolini's Fascist Party and now houses the Italian Foreign Ministry.

Members of ETA, the Basque separatist group, this organisation has claimed responsibility for the shooting of a factory worker in Bilbao yesterday. It is said, was a former ETA member and later became a police informer.

Ossola bid for loan support

PARIS, Jan. 12.

ITALY TO-DAY sought support for its bid to obtain two major loans of \$450m from the national governments of the other six nations of the Common Market.

Italy's state machine

ROME, Jan. 12.

IT IS just to surface within the Farnesina, is limited to the effects of the trade union pro in particular since it is conceded that some staff inter-changeability could have merit between a number of other ministries.

Union spanner in the works of Italy's state machine

BY DOMINICK J. COYLE

A NONE too quiet revolution is under way—and still mainly underground, as it were—in the Farnesina, the gaudy, if functional building overlooking the Tiber which was intended originally to be the new headquarters for Mussolini's Fascist Party and now houses the Italian Foreign Ministry.

AMERICAN NEWS

U.S. jobless fall, wholesale prices rise

BY JUREK MARTIN, U.S. EDITOR

WASHINGTON, Jan. 12.

UNEMPLOYMENT FELL but wholesale prices rose appreciably in the final month of 1976, the U.S. Government announced this morning. In December, the unemployment rate stood at an seasonally adjusted 7.9 per cent, leaving 7.6m. Americans out of work, down from the year's high of 8.1 per cent in November.

The January, 1977, rate was 7.8 per cent and President Ford forecast at the beginning of last year that it would fall to about 7 per cent over the 12 months. It has been clear since then that this target was unattainable. Nevertheless, the failure to make any sizeable dent in the problems was a key factor in Mr. Ford's electoral defeat, as well as lying behind Mr. Jimmy Carter's economic jobs-creating package of last week.

As Mr. Ford unavailingly tried to point out for much of last year, there is a marginally tighter side to the unemployment picture—that more Americans are actually working jobs than ever before. In December his figure rose to 86.4m., an all-time record.

However, the structural weaknesses in employment remained. The jobless rate among teenagers, for example, as down a little in December, still stood at a socially disturbing 33.7 per cent. It is Mr. Carter's intention to target his employment programmes at sectors such as these.

Mr. Carter's goal is to bring down the overall unemployment rate to 6.5 per cent by the end of this year. Doubt has been expressed over whether this can be achieved, but Mr. Charles Schultz, who will be the new

On the surface, the increase in wholesale prices might give rise to the fear that America is about to suffer a renewed bout of inflation. Some conservative economists have contended that Mr. Carter's package runs the risk of doing so in any case and they will see to-day's figures as evidence of the dangers that still exist.

But the sharp 0.9 per cent increase in December was largely accounted for by higher food prices, which have shown great fluctuations in recent months. The farm products component of the overall index rose by an adjusted 3.7 per cent in December, compared with the previous month. In four of the five months before December it had declined by as much as 2.9 per cent.

On the other hand, and more encouragingly, the prices of industrial commodities went up by a much more modest 0.3 per cent, after a five month span when increases had ranged between 0.7 and 1.0 per cent.

In the course of calendar 1976, wholesale prices rose by 4.7 per cent, 0.5 per cent more than in the farm products component of

State of the Union is 'good'

By Our Own Correspondent

WASHINGTON, Jan. 12. MR. GERALD FORD, the outgoing U.S. President, said he would tell Congress to-night in his farewell State of the Union message that the State of the Union was now "good." Two years ago Mr. Ford reported that it was "not good," while last year he pronounced it "better."

He ascribed the improvement to the role he had played in rebuilding confidence in the presidency following the depredations of Watergate and Vietnam.

He then listed his achievements in the domestic and foreign fields, much as he had in the recent election campaign and in not dissimilar language.

He repeated his basic belief that it would be dangerous to allow the U.S. defence posture to become weaker.

He noted, as has his Defence Department and the Central Intelligence Agency (CIA), that U.S. strategic forces have not grown as rapidly as those of the Soviet Union.

Mr. Ford graciously eschewed substantive predictions. He said: "In a few days it will be his (Mr. Carter's) duty to outline for you his priorities and legislative recommendations. To-night, I will not infringe on that responsibility, but rather wish him the very best in all that is good for our country."

IMF lends \$36m. to Vietnam after export earnings fall

BY OUR OWN CORRESPONDENT WASHINGTON, Jan. 12.

THE INTERNATIONAL Monetary Fund (IMF) has lent the Socialist Republic of Vietnam about \$36m. (\$31m. Special Drawing Rights).

The loan was made under the IMF's compensatory financing facility, established a year ago in Jamaica and designed to help member countries suffering from balance of payments problems from circumstances largely beyond their control.

Although the Fund announcement rather coyly does not say which Hanoi is also now a clearly stem from war damage. The official statement refers to a 10 per cent drop in Vietnam's export earnings last year and to exports of timber, the production of which had been impaired by transportation difficulties, and

Oil imports threaten economy, says report

By Ray Dafter, Energy Correspondent

AMERICA'S growing dependence on imported oil is creating major risks for national security, the national economy, employment opportunities and living standards, according to a report prepared by a Twentieth Century Fund task force.

The task force points out that imports have risen from 23 per cent of oil consumed annually in 1970 to a rate of 41 per cent. The share of these imports originating in OPEC countries has risen from 68 per cent in the early 1970s to nearly 90 per cent. Consequently, the report warns, "the nation is more than ever a potential hostage of a powerful cartel."

The group of 14 energy experts recommended that the U.S. should stockpile three to six months of oil supplies. The 10 days of stocks held by the Government in case of another emergency were inadequate. They also called for the exploration and development of alternative energy sources, such as coal, uranium and hydroelectric power. Conservation measures should also be given a fresh impetus.

President-elect Jimmy Carter, who is expected to give energy problems priority consideration, is urged to formulate a comprehensive national policy. U.S. shale oil potential. Page 30

Vigorous anti-trust policy pledge

BY OUR OWN CORRESPONDENT

WASHINGTON, Jan. 12.

MR. GRIFFIN BELL, the U.S. Attorney General-designate, today promised a vigorous anti-trust policy under his stewardship at the Justice Department. In his second day of testimony in front of the Senate Committee that will ultimately approve his nomination, Mr. Bell said that he might even go to court himself to force severe sanctions against companies accused of price fixing.

He described proper application of the anti-trust laws as the greatest service to the free enterprise system. He was more guarded about supporting wider use of class action suits, however, in spite of the urging of Senator Birch Bayh from Indiana that new legislation be introduced to make it easier for such suits to be brought.

Most of the second morning of these hearings was again devoted to questioning by Senators on Mr. Bell's record in Georgia over the last 20 years on civil rights, with particular focus on his relationship with the former segregationist Governor of the State, Mr. Ernest Vandiver, between 1958 and 1961.

One of Mr. Bell's critics, Mr. Clarence Mitchell, head of the Washington office of the National Association for the Advancement of Coloured People (NAACP), testified today that Mr. Bell was the architect of Governor Vandiver's programme of massive resistance to desegregation court orders.

Mr. Mitchell's testimony was impassioned. He quoted from memoranda written by Governor Vandiver attributing to Mr. Bell

advice that amounted to findings that amounted to findings ways round the civil rights legislation and he compared those who had not fought against segregation in the south with Germans in the 1930s who had stood by while Hitler had destroyed German civil liberties.

Mr. Mitchell is an old warrior of the civil rights war, much respected nationally. But even Senator Kennedy questioned his assertion that Mr. Bell's behaviour in racially-bested Georgia nearly 20 years ago meant that he felt the same way today.

Meanwhile, Mr. Bell also said today that it was probable that he would replace Mr. Clarence Kelley as head of the Federal Bureau of Investigation (FBI) sometime after he becomes Attorney General.

Venezuela attacks news 'distortion'

BY JOSEPH MANN

CARACAS, Jan. 12.

VENEZUELAN Foreign Minister Ramon Escovar Salom has denounced what he called a "campaign aimed at splitting the solidarity of Third World Nations."

The Foreign Minister made his comment yesterday when questioned about an article published by the Washington Star Newspaper which blamed Venezuela for the economic woes now

affecting Brazil, since the former has regularly sought higher prices for oil at OPEC conferences.

Although the Venezuelan Foreign Minister stressed he was not replying to the Washington Star story in particular, he blamed a group of unnamed publications for demonstrating a visible tendency to distort certain types of news reports.

BUSINESS IN CALIFORNIA

Frosty welcome for industry

BY ART GARCIA IN CALIFORNIA

OVERWORKED but still busy in writing about California is to discuss the "late state," usually in the context of how the ultimate earthquake will dump this playground into the "good life" into the arms of business leaders in California in the spreading notion that the state no longer a land of opportunity or even good place to do business. They meant California's animosity towards business and industry and the reluctance of young Governor Edmund Brown Jr. to do anything about changing the image, or reversing the trend.

At a time when more multinational companies are making major manufacturing investments in the U.S.—Sony, Michelin and Volkswagen, for example—California has no programme or plan for attracting new business. The Departments of Commerce and Tourism were bowled by Governor Brown to out of business for lack of funding. While most other states are actively wooing new business and industry, California relies on the momentum of its steady growth since the Second World War and cooperates with a Commission for Economic

development of the Los Angeles Area Chamber of Commerce recently told the Los Angeles City Council the city is losing manufacturing jobs at the rate of 30,000 a year as industry moves out. In San Francisco, formation of a committee of top city officials and business leaders to stop the exodus of business was proposed to the Board of Supervisors.

Cities are being urged to take the lead in developing incentive plans and promotional campaigns to keep present business and draw new companies. Alarmed by the absence of any programme from the state capital in Sacramento, officials are heading comments such as those made in San Diego by Morris Sievert, president of the Solar Division of International Harvester Company. He charged not long ago that new state laws and regulations that reflect an "anti-business climate" are rapidly making California "the worst state in the U.S. in which to have a manufacturing business."

Such sentiments are not contradicted by the California Chamber of Commerce poll of its statewide membership which showed 54 per cent agreeing that California is not a "very promising area for business growth and expansion."

Meanwhile, there is no central source here to answer queries or trumpet the many advantages California long has had over other states. We have a lot of exportable items here and we're No. 1 in so many products that are needed," says Mr. Dymally. "We're No. 1 in food production, for example. Agriculture is still our first industry, bigger than tourism, aerospace or electronics. California is the first stop in the U.S. for the Pacific Basin, which is a natural market for us. Then there's the rise of the Third World nations in the Far East. We're going to be the first Third World state in the union."

dicts the lieutenant-governor, fresh from a rare tour to the Far East to drum up business for California.

Nevertheless, despite an unemployment rate of 9 to 10 per cent, economic forecasts are that California's gross output of goods and services this year will increase by more than 13 per cent to around \$215bn., again outpacing the nation's real growth.

So it is not that California has nothing to sell. "I think part of the problem is the fear we'll attract new industries that will pollute the environment, but that doesn't necessarily have to follow," argues Mr. Dymally.

The lieutenant-governor hopes to persuade the legislature for a \$10m. budget to revive the Department of Commerce, changing the name to the Department of Economic Development. Under his proposal, the new agency would open satellite offices in key U.S. and foreign cities.

"I will tell the governor that if that effort doesn't work in a year, close the department down. But I know an aggressive operation would more than pay for maintaining those out-of-state offices," Mr. Dymally says. "I would tell business. I know welcome in California. I know would win. It's a bet you can't lose." Putting life into such a programme "of the highest priority" in his office, he says, and there are signs Governor Brown may be beginning to get the message too. Although his popularity remains high in California public opinion polls, some are beginning to question what he has accomplished in his first two years in office. With re-election less than two years away, and frictions, dwindling supplies of natural gas, stiff business costs and industrial parks. The



Inter-City gets you there come ice, sleet, snow and fog

Even the best laid plans can fall foul of the weather. So it's reassuring to know that when you've got a journey to make, Inter-City is the safest way to go.

Quickly and comfortably. Come rain or shine. Which, as we think you'll agree, is better than being kept waiting in a fog-bound airport lounge or driving down an icy motorway.

With Inter-City, it's nice and cosy inside. Whatever the weather's like outside. On many trains you can enjoy air conditioning, reclining seats, excellent restaurant, friendly buffet bar...it's all so much more relaxing.

Next time the weather gets rough, remember who makes the going easy.

Fast and frequent Inter-City services cover 200 principal towns and cities in Britain. Here are some fastest journey times between London and major business centres.

GLASGOW	5hr
MANCHESTER	2hr 26min
LIVERPOOL	2hr 31min
NEWCASTLE	3hr 33min
LEEDS	2hr 28min
SHEFFIELD	2hr 30min
BIRMINGHAM	1hr 31min
BRISTOL	1hr 32min
CARDIFF	1hr 53min
SOUTHAMPTON	1hr 10min
LEICESTER	1hr 24min
PLYMOUTH	3hr 42min
NOTTINGHAM	1hr 55min
STOKE-ON-TRENT	1hr 45min

Inter-City
makes the going easy

California's departments of commerce and tourism were allowed to out of business for lack of funds.

development which has a current yearly budget of only 30,000, barely enough to pay staff of four, much less fund a campaign to lure new investment.

That is the smallest budget of any state with a new business development agency. What's more, the commission will close in June, at the end of the present fiscal year, unless the governor changes his view that functions should be carried by the private sector. That once has helped extend the dispute between Governor Brown and his lieutenant-governor, RVD Dymally, who is also chairman of the Commission for Economic Development and the best-elected black official in California's history. Both men are Democrats, but Mr. Dymally's frustrations have pushed him to the point of risk-taking. He has been in an open split with the pensioner often puzzling 39-year-old governor.

The state's Department of Commerce was eliminated because Governor Brown "took it out of budget. He abandoned the department," a miffed Mr. Dymally said in an interview. "He believes the department was doing but a public relations job for the state and local members of commerce, a position which Mr. Dymally absolutely couldn't disagree with." Mr. Dymally has voiced complaints about California's loss of initiative in attracting business directly to the governor speaks openly of his concern.

Why has the Golden State lost much of its glitter? Recent years have placed California among 48 states surveyed in a desirable industrial location. Those general attitudes have been by what many have come to be the no-growth, business mood of the government, tough environmental restrictions, dwindling supplies of natural gas, stiff business costs and industrial parks. The

development of the Los Angeles Area Chamber of Commerce recently told the Los Angeles City Council the city is losing manufacturing jobs at the rate of 30,000 a year as industry moves out. In San Francisco, formation of a committee of top city officials and business leaders to stop the exodus of business was proposed to the Board of Supervisors.

Cities are being urged to take the lead in developing incentive plans and promotional campaigns to keep present business and draw new companies. Alarmed by the absence of any programme from the state capital in Sacramento, officials are heading comments such as those made in San Diego by Morris Sievert, president of the Solar Division of International Harvester Company. He charged not long ago that new state laws and regulations that reflect an "anti-business climate" are rapidly making California "the worst state in the U.S. in which to have a manufacturing business."

Such sentiments are not contradicted by the California Chamber of Commerce poll of its statewide membership which showed 54 per cent agreeing that California is not a "very promising area for business growth and expansion."

Meanwhile, there is no central source here to answer queries or trumpet the many advantages California long has had over other states. We have a lot of exportable items here and we're No. 1 in so many products that are needed," says Mr. Dymally. "We're No. 1 in food production, for example. Agriculture is still our first industry, bigger than tourism, aerospace or electronics. California is the first stop in the U.S. for the Pacific Basin, which is a natural market for us. Then there's the rise of the Third World nations in the Far East. We're going to be the first Third World state in the union."

dicts the lieutenant-governor, fresh from a rare tour to the Far East to drum up business for California.

Nevertheless, despite an unemployment rate of 9 to 10 per cent, economic forecasts are that California's gross output of goods and services this year will increase by more than 13 per cent to around \$215bn., again outpacing the nation's real growth.

So it is not that California has nothing to sell. "I think part of the problem is the fear we'll attract new industries that will pollute the environment, but that doesn't necessarily have to follow," argues Mr. Dymally.

The lieutenant-governor hopes to persuade the legislature for a \$10m. budget to revive the Department of Commerce, changing the name to the Department of Economic Development. Under his proposal, the new agency would open satellite offices in key U.S. and foreign cities.

"I will tell the governor that if that effort doesn't work in a year, close the department down. But I know an aggressive operation would more than pay for maintaining those out-of-state offices," Mr. Dymally says. "I would tell business. I know welcome in California. I know would win. It's a bet you can't lose." Putting life into such a programme "of the highest priority" in his office, he says, and there are signs Governor Brown may be beginning to get the message too. Although his popularity remains high in California public opinion polls, some are beginning to question what he has accomplished in his first two years in office. With re-election less than two years away, and frictions, dwindling supplies of natural gas, stiff business costs and industrial parks. The

OVERSEAS NEWS

Muzorewa attacks Zambia and keeps home support

BY OUR OWN CORRESPONDENT

SALISBURY, Jan. 12.

BISHOP ABEL MUZOREWA, President of the United African National Council (UANC), today launched a bitter attack on the Zambian Government...

He was speaking at a Press conference in Salisbury... in response to the weekend meeting in Lusaka...

He again called for a referendum to elect a new government... the minister of an interim administration of Rhodesia...

The UANC remains in a dilemma... Although it undoubtedly has the support of the majority of Rhodesia's Africans...

So far, Bishop Muzorewa's supporters remain committed to him... their unceasing over the diplomatic rebuffs...

Our UN correspondent adds from Nairobi... Geneva conference chairman Mr. Ivor Richard...

WORLD TRADE NEWS

IRAN'S BARTER DEALS: TRADING PARTNERS AWAIT CLARIFICATION

France's The U.S. is cautious... Little concern in Italy

BY DAVID BELL

WASHINGTON, Jan. 12.

ROME, Jan. 12.

U.S. OFFICIALS believe that there is some scope for barter deals with Iran...

President-elect Carter, and the new administration is certain to take a very hard look at U.S. relations with Iran...

That may be one reason why the only negotiations about barter deals that have been publicly reported...

Iran's demands Page 15

progress. Both General Dynamics and Northrop in the past year have talked with the Iranian government...

Over the past few years the French have made strenuous efforts to sign up substantial packages of capital projects to Iran...

But the recent split dividing the Saudis and the United Arab Emirates from the other oil producers...

But there is some argument about the cost of these aircraft, and Iran is also taking exception to the cost of the general U.S. assessment...

While these might be prime candidates for barter deals, Carter has devoted much time to the dangers of nuclear proliferation...

Italy exports primarily technology and manufactured goods to Iran... The Foreign Ministry added that they were currently studying ways of reducing the trade deficit with Iran...

... the U.K. is sanguine

BY LORNE BARLING

FEARS OF Iranian demands for oil barter deals on British contracts...

Future contracts are expected to follow the pattern set by the British Aircraft Corporation in its \$400m. order of Rapier missiles...

There have been indications that oil companies are not generally prepared to accept any risk on the delivery of oil or on the delivery of goods...

It is understood that a Vickers team will visit Iran shortly to work out details of a contract to supply 240 armoured recovery vehicles...

Iran subsequently adopted the French Secam TV system, placed the initial contracts with France for the Tehran metro and negotiated the establishment of a Renault assembly plant...

Major British companies which sell to Iran are also optimistic that barter deals will not be a major complex, although negotiations are expected to become far more complex while the two-tier oil price structure persists...

UAE oil output may rise to meet consumers' needs

BY ISHAN HIJAZI BEIRUT, Jan. 12.

THE UNITED Arab Emirates are considering a large increase in oil production to meet consumers' needs... UAE Petroleum Minister Moneh Al Oteiba...

Dawn swoop by police on Cape Town blacks

CAPE TOWN, Jan. 12.

TV A two hour dawn swoop yesterday police arrested 95 Africans in Cape Town's Langa and Nyanga townships...

Lebanon seeks extension

BEIRUT, Jan. 12.

THE LEBANESE Government tonight requested a six-month extension of the Arab League peacekeeping force...

Abu Dhabi budget

ABU DHABI, Jan. 12.

Abu Dhabi announced that its 1977 budget would be in the region of 5.5bn. dirhams...

Blue Circle wins £100m. cement contracts

Financial Times Reporter

DESCRIBED by the group as the largest export contracts ever gained by British cement producers...

Arabs may acquire 200 Mirage F-1 fighters

PARIS, Jan. 12.

EGYPT and its Arab arms consortium partners will acquire 200 French Mirage F-1 advanced combat aircraft over the next decade...

Yvon Bourges returned from a visit to Egypt two days ago...

Organisation for Industrialisation (AOI) with an initial capital of \$80m. subscribed by Saudi Arabia, Qatar and the United Arab Emirates...

The three-stage deal provides for a first, small batch of Mirage F-1s to be built in France...

Sophistication

THE deal was clinched after 18 months of negotiations...

Armsaments

The long-term deal will eventually lead to Egyptian factories building the sophisticated Mirage F-1 aircraft...

Armaments

The long-term deal will eventually lead to Egyptian factories building the sophisticated Mirage F-1 aircraft...

Armaments

The long-term deal will eventually lead to Egyptian factories building the sophisticated Mirage F-1 aircraft...

New role likely for Jordan

BEIRUT, Jan. 12.

KING HUSSEIN of Jordan's visit to Egypt which begins tomorrow has given rise to expectations that his talks with President Sadat may result in some military move between the two countries...

Zaire losses

THE closure of the Benguela railway, damaged during the Angolan civil war...

UN refugee tour

Prince Sadruddin Khan, UN High Commissioner for Refugees...

Indian power plant

A study team of the Indian Ministry of Energy has recommended establishment of the country's fifth atomic power plant...

Table with 2 columns: Item, Page/Section. Includes International Company News, BASF rights issue, Occidental plans, Farming and Raw Materials, U.S. farm policy.

Table with 2 columns: Item, Page/Section. Includes International Company News, BASF rights issue, Occidental plans, Farming and Raw Materials, U.S. farm policy.

Table with 2 columns: Item, Page/Section. Includes International Company News, BASF rights issue, Occidental plans, Farming and Raw Materials, U.S. farm policy.

Table with 2 columns: Item, Page/Section. Includes International Company News, BASF rights issue, Occidental plans, Farming and Raw Materials, U.S. farm policy.

Table with 2 columns: Item, Page/Section. Includes International Company News, BASF rights issue, Occidental plans, Farming and Raw Materials, U.S. farm policy.

Table with 2 columns: Item, Page/Section. Includes International Company News, BASF rights issue, Occidental plans, Farming and Raw Materials, U.S. farm policy.

Table with 2 columns: Item, Page/Section. Includes International Company News, BASF rights issue, Occidental plans, Farming and Raw Materials, U.S. farm policy.

Table with 2 columns: Item, Page/Section. Includes International Company News, BASF rights issue, Occidental plans, Farming and Raw Materials, U.S. farm policy.

JP 1/13/77

Saving materials and energy: it's Metal Box's business.

Over the last fifteen years, Metal Box has managed to reduce the amount of steel and tin used in the average metal container by up to 25% and 50% respectively, at the same time improving its performance.

And new improvements are on the way, even now.

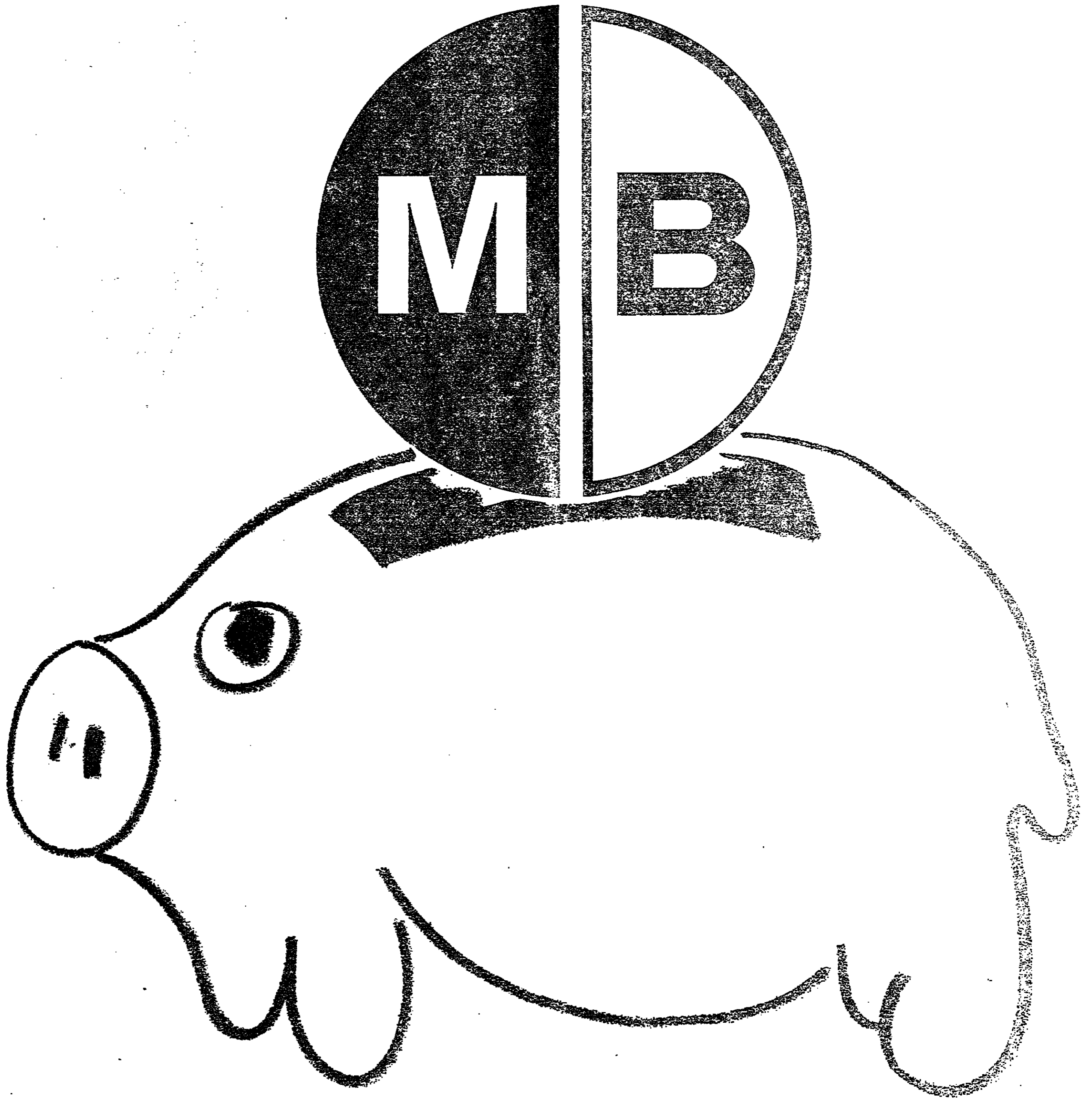
Recently, too, while others have been preaching recycling, we've been investing in it - by helping to set up the UK's first company specialising in extracting cans from domestic waste, and recovering the tin and steel for re-use. If the process proves economic - and signs are encouraging - this could well save Britain millions of pounds a year.

The world of today needs to use its resources more efficiently. And that's a fact Metal Box have known - and acted on - for years.



Metal Box Limited

A good business to be in



HOME NEWS

Britain leads world in steel recovery

By Roy Hodson

BRITISH STEELMAKERS have had a good year by international standards. Production improved by nearly 13 per cent in 1976 as both the British Steel Corporation and the private-sector steelmakers recovered from the deep recession of 1975.

Scrap men seek new BSC policy

By Our Sheffield Correspondent

EXECUTIVES of about 100 scrap reclaiming and trading companies, between them controlling nearly 40 per cent of the scrap market, met in Sheffield last night to form an action group.

State Board directors in new pay move

By Our London Correspondent

THE FIVE dissentient executive directors of State-owned Cable and Wireless refused pay increases by Mr. Eric Varley, the Industry Secretary, will discuss their problems at a full Board meeting next Tuesday.

Alasdair Milne new BBC Television head

Financial Times Reporter

MR. ALASDAIR MILNE will take over from Mr. Ian Trethowan as managing director of BBC television in April.

Government rules out aid for Preston docks

By Ian Hargreaves, Industrial Staff

HOPES of a reprieve for the municipally-owned Preston Docks receded yesterday when Mr. William Rodgers, the Transport Secretary, ruled that there would be no financial assistance for the ailing port.

Success at Sony's first European factory

By Max Wilkinson, Industrial Staff

SONY'S first European television factory, in South Wales, is proving such a success that half its production is now exported.

Low pay norm urged by CBI

By Adrian Hamilton

THE CONFEDERATION of British Industry is to see the Chancellor and TUC leaders in separate informal meetings later this month to put forward its view that the next phase of wage restraint should contain a stringent basic norm but more flexibility for productivity payments.

Produced wealth shows marginal increase

By Kenneth Gooding, Industrial Correspondent

THE WEALTH produced by U.K. manufacturing industry increased only marginally in real terms between 1974 and 1975, but the percentage taken in wages, salaries, social security, and pension payments continues to rise sharply.

Which? fails to discover the perfect garage

By Terry Dodsworth

A SURVEY of garages by Motoring Which? concluded that none could be described as "thorough, accurate and conscientious," it reported yesterday.

Grand Prix cash totals £190,000

By John Griffiths

A FUND of £190,000 for prize and start money has been collected for this year's John Player British Grand Prix, making it the richest race to be held in the U.K.

Arab stance does not upset arms makers

By Michael Donne

U.K. AEROSPACE and other military contractors and manufacturers did not appear unduly alarmed yesterday by Tuesday night's news from Cairo that the Arab Organisation for Industrialisation and Commerce had agreed to create an Arab arms industry.

Fewer home starts in November

By Michael Cassell, Building Correspondent

THE NEW house building programme slowed down even further in November after the very poor output levels achieved in the previous month.

Tax cut boosts incomes

By Michael Blandford

A CUT IN taxes provided an exceptional boost to the level of personal disposable incomes in the third quarter of last year, according to the latest figures published by the Central Statistical Office.



Just 114 years after the opening of the London Underground, London Transport has recruited its first woman guard. Mrs. Margaret Gardner, aged 43, will start work soon on the Bakerloo Line, where her eldest son Paul is a guard. Mrs. Gardner rejoined London Transport last summer as a "railwaywoman" with general station duties. After six months as a guard she will be able to seek training as a motorman or driver, although the guard's training she has already undergone included some driving experience. In the long term, Mrs. Gardner's extension of women's rights is of limited significance. The underground's Victoria line already operates without guards and eventually one-man operation will probably be extended throughout the system.

Drive to stop town centres decline is upgraded

By Quentin Guirham

EROSION OF the economies of inner city areas, and loss of job opportunities there, were central issues in Government policy for such areas, Mr. Reg Freeson, Minister for Housing and Construction, said yesterday. Halting the industrial decline of the inner city was as important as tackling housing and education there.

Chemical safety dossiers scheme

By David Fishlock, Science Editor

A SAFETY DOSSIER on every new chemical which industry proposed to make in substantial quantities would first have to be submitted to the Health and Safety Executive under a scheme to be proposed shortly by the executive.

Ban on aid may go to Council of Ministers

By Christopher Lorenz, Electronics Correspondent

DISAGREEMENT OVER Britain's proposed ban on aid for instruments and automation may have to be settled by the new Jenkins Commission's 13-man executive if British Government and Commission officials cannot resolve the issue by late March.

Redfearn Glass to invest £5.5m.

By Kenneth Gooding, Industrial Correspondent

INDICATION THAT the glass cent in demand in 1977, container industry expects a return to strong growth came yesterday when Redfearn National Glass, third largest of the U.K. manufacturers, announced it is to double capital investment to £5.5m. in the current year.

Fewer home starts in November

By Michael Cassell, Building Correspondent

THE NEW house building programme slowed down even further in November after the very poor output levels achieved in the previous month.

Tax cut boosts incomes

By Michael Blandford

A CUT IN taxes provided an exceptional boost to the level of personal disposable incomes in the third quarter of last year, according to the latest figures published by the Central Statistical Office.



Just 114 years after the opening of the London Underground, London Transport has recruited its first woman guard. Mrs. Margaret Gardner, aged 43, will start work soon on the Bakerloo Line, where her eldest son Paul is a guard. Mrs. Gardner rejoined London Transport last summer as a "railwaywoman" with general station duties. After six months as a guard she will be able to seek training as a motorman or driver, although the guard's training she has already undergone included some driving experience. In the long term, Mrs. Gardner's extension of women's rights is of limited significance. The underground's Victoria line already operates without guards and eventually one-man operation will probably be extended throughout the system.

Drive to stop town centres decline is upgraded

By Quentin Guirham

EROSION OF the economies of inner city areas, and loss of job opportunities there, were central issues in Government policy for such areas, Mr. Reg Freeson, Minister for Housing and Construction, said yesterday. Halting the industrial decline of the inner city was as important as tackling housing and education there.

Chemical safety dossiers scheme

By David Fishlock, Science Editor

A SAFETY DOSSIER on every new chemical which industry proposed to make in substantial quantities would first have to be submitted to the Health and Safety Executive under a scheme to be proposed shortly by the executive.

Ban on aid may go to Council of Ministers

By Christopher Lorenz, Electronics Correspondent

DISAGREEMENT OVER Britain's proposed ban on aid for instruments and automation may have to be settled by the new Jenkins Commission's 13-man executive if British Government and Commission officials cannot resolve the issue by late March.

Redfearn Glass to invest £5.5m.

By Kenneth Gooding, Industrial Correspondent

INDICATION THAT the glass cent in demand in 1977, container industry expects a return to strong growth came yesterday when Redfearn National Glass, third largest of the U.K. manufacturers, announced it is to double capital investment to £5.5m. in the current year.

Fewer home starts in November

By Michael Cassell, Building Correspondent

THE NEW house building programme slowed down even further in November after the very poor output levels achieved in the previous month.

Tax cut boosts incomes

By Michael Blandford

A CUT IN taxes provided an exceptional boost to the level of personal disposable incomes in the third quarter of last year, according to the latest figures published by the Central Statistical Office.

Chemical safety dossiers scheme

By David Fishlock, Science Editor

A SAFETY DOSSIER on every new chemical which industry proposed to make in substantial quantities would first have to be submitted to the Health and Safety Executive under a scheme to be proposed shortly by the executive.

Ban on aid may go to Council of Ministers

By Christopher Lorenz, Electronics Correspondent

DISAGREEMENT OVER Britain's proposed ban on aid for instruments and automation may have to be settled by the new Jenkins Commission's 13-man executive if British Government and Commission officials cannot resolve the issue by late March.

Redfearn Glass to invest £5.5m.

By Kenneth Gooding, Industrial Correspondent

INDICATION THAT the glass cent in demand in 1977, container industry expects a return to strong growth came yesterday when Redfearn National Glass, third largest of the U.K. manufacturers, announced it is to double capital investment to £5.5m. in the current year.

Fewer home starts in November

By Michael Cassell, Building Correspondent

THE NEW house building programme slowed down even further in November after the very poor output levels achieved in the previous month.

Tax cut boosts incomes

By Michael Blandford

A CUT IN taxes provided an exceptional boost to the level of personal disposable incomes in the third quarter of last year, according to the latest figures published by the Central Statistical Office.

MP returns

By Raphael Tucker

MR. RAPHAEL TUCKER, 67, Labour MP for Watford, who had a slight heart attack last October, said yesterday he expected to be back at the Commons on Monday. He was ordered to rest in December.

Table with 5 columns: Year, Expenditure, Income, Output, Average estimate. Rows for 1974 and 1975, 1st and 2nd quarters.

Handwritten text at the bottom of the page, possibly a signature or note.

Company accounting rule makers face busiest year

BY MICHAEL LAFFERTY

TWO, or possibly three, major new accounting standards and up to six draft standards are expected to be published in the next 12 months by the Accounting Standards Committee (ASC), the rule-making body on U.K. company accounting.

The expected draft standards, which are pulled together by the ASC, will cover lessors and lessees of property, pension costs in company accounts, consolidated accounts, and accounts of pension funds.

The revised proposals, contained in exposure draft 17, require development expenses to be carried forward as an asset and written off over the life of the products which have been developed.

Cheaper flights plan for European routes

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

BRITISH AIRWAYS has agreed in principle with three European airlines—Alitalia of Italy, Olympic of Greece, and Turkish Airlines—on a plan to introduce cheap fares between the U.K. and those countries.

The same time as the airline and others in the U.K. are being asked to reduce fares by the Airline Users' Committee for offering fares in Europe that are too high, and when the Civil Aviation Authority is holding a two-day meeting in London to study existing European fares levels with a view to trying to reduce them.

No switch to bargain air fares, seminar told

By Michael Donne, Aerospace Correspondent

THE U.K. Civil Aviation Authority will not take any unilateral steps to try to bring down European air fares, but will work with U.K. and foreign airlines, and the various civil aviation bodies to achieve an orderly move to cheaper fares.

Motor-cycle industry mounting big promotion this year

BY TERRY DODSWORTH

THE MOTOR-CYCLE industry is mounting a big promotional effort this year in an effort to maintain the sales momentum which produced last year the best two-wheeler registration figures since 1959.

The ASC, under the chairmanship of Sir William Slimings, senior partner of accountants Thomson McLintock, will also have to decide what to do about deferred taxation.

TUC in no rush to settle new pay restraint deal

BY CHRISTIAN TYLER, LABOUR STAFF

TUC LEADERS yesterday showed themselves determined not to be rushed into another pay restraint bargain with the Government, despite the equal determination of Mr. Denis Healey, the Chancellor, to have a deal struck up in time for his April Budget.

Members of the TUC economic committee met in London yesterday to scan their annual economic review, which remains the unions' Budget demands.

serious bargaining on the next stage by the end of this month so that he can present a total package, including possible changes in direct taxes, in April.

Tour operators may give foreign holiday refunds

BY ARTHUR SANDLES

MANY BRITISH holidaymakers may get refunds on their foreign holidays this year, thanks to the growing strength of sterling.

Most travellers leaving Britain in the immediate future cannot expect refunds, since the currency for these holidays was bought by the tour operators some weeks ago, when the value of sterling was much lower.

Wills to offer Embassy brands without coupons

BY STUART ALEXANDER

IMPERIAL TOBACCO'S W. D. & H. O. Wills subsidiary is to introduce non-coupon versions of its Embassy King Size and Embassy Filter from January 24.

U.K. MOTORCYCLE REGISTRATIONS

Table with 3 columns: Year (1976, 1975, 1974), Mopeds, Scooters, Motor cycles, Total.

Leyland delivery drivers' strike spreads to two more plants

BY PETER CARTWRIGHT

THE STRIKE of car delivery drivers at Leyland Cars Rover plant at Solihull, near Birmingham, spread yesterday to the company's Triumph and Jaguar plants at Coventry.

More than 800 cars a day were being produced at the Coventry plant, but the strike has meant that production has been reduced to a few hundred cars a day.

James Car Delivery claims to have spent £1m. on improving staff above the pay policy guidelines, although 17 were legally able to do so because of existing incremental scales.

Shuttle flights turn loss into £1/4m. profit

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

IN TWO years of operating its shuttle non-reservations services, the trunk routes between London and Scotland, British Airways has converted a loss of £250,000.

be earnings 44 per cent. of the airline's total domestic revenues. Everybody who turns up at the boarding gate is guaranteed a flight, even if an empty aircraft is to be brought along just to carry him.

Regional aid companies named

BY GEOFFREY OWEN

ONE OF the advances in open government made while Mr. Anthony Wedgwood Benn was Secretary of State for Industry is to publish the names of companies which receive regional assistance.

Next on the list comes Norse Pipelines, which with Norpipe Petroleum is part of the Phillips/Ekroft gas to Tennessee project which received the largest individual payment of the period—£8.6m.

At the top of the list comes Courtaulds with four separate projects, British Olivetti (an expansion of typewriter production in Glasgow) and D. B. Marshall (Newbridge).

Bread men extend boycott

By Elinor Goodman, Consumer Affairs Correspondent

MORE SHOPS in the London area where affected yesterday by the militant bread deliverymen's refusal to deliver to shops selling bread at less than 19p a loaf.

Pay code 'causes job switching'

FURTHER BACKING for the claim that white-collared workers in the City of London change jobs because of the pay job is provided by the pay code survey published today.

The income research unit of the consultants Lloyd Executive found that the main reason for their standard of living comes from a salary survey published today.

BAC outcome 'likely to match previous year's'

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

THE British Aircraft Corporation's financial results for 1976, when finally available, are likely to match those of 1975, when it set a record year for sales, profits and exports.

It is certain that no one can truthfully call BAC a lame duck, and our contribution to the nation's balance of payments continues to be outstanding, not only in volume, but as a percentage of our turnover.

REGIONAL SELECTIVE ASSISTANCE table with columns: Principal recipients under Section 7 of Industry Act 1972, April 1975-September 1976, To create new jobs, To preserve employment.

Walk-out hits London hospitals

Hackers' health district were hit last night by a mass walk-out of ancillary staff.

Statistics ban lifted

BY DAVID CHURCHILL, LABOUR STAFF

A PROPOSED BAN on statistical work in the Department of Health and Social Security, due to begin later this month, was called off yesterday by the national executive of the Civil and Public Services Association.

again accepted that sufficient publicity had been achieved or the dispute to make the public aware of the effects of the expenditure cuts.

NUPE to pay Labour more

THE NATIONAL Union of Public Employees yesterday decided to increase its affiliation fees to the Labour Party by £1,000 to a total of £105,000 following the party's appeal for more funds.

NGA agrees to technology poll

THE NATIONAL council of the National Graphical Association decided yesterday to take part in the national newspaper industry ballot on the introduction of computer-based news technology.

The timing of the ballot is being co-ordinated with other print unions. It will take place early next month.

SNOW REPORTS

Table with columns: Date, Time, Weather, Snow depth, Wind, Visibility, etc.

ACCOUNTANCY APPOINTMENTS

ACCOUNTANT SYSTEMS DEVELOPMENT

London EC2 c£6000

Our client markets ores, minerals and metals world wide controlling turnover in excess of £100 million from London.

Reporting to the Chief Accountant, the Accountant Systems Development will spend about two-thirds of his time to the first year investigating and improving the accounting and management information systems. This will include, for example, installation of new VBC equipment and the design of a cashflow forecasting system.

The systems work will fall to about 50% in the second year, the balance of the time being spent on production of monthly management accounts and special reports for management.

Aged probably 25-28, applicants will be qualified with good professional or industrial experience. Please telephone or write to Graham Webster, AGA, MBA, quoting reference 1/2548.

E.M.A. Management Personnel Ltd.
Burns House, 88/89 High Holborn
London WC1V 6LR
01-242 7773

GROUP TAXATION c£8,000

We are currently searching for two qualified, experienced Tax Professionals, c.25, with good working knowledge of Group Tax.

- To join a £200m. International Group based S.W. of London.
 - To join one of the U.K.'s leading London-based Construction Companies (relevant industry background essential).
- Both are career positions!

Please telephone —
James Denholm F.C.A.
on 01-498 4879

MANAGEMENT APPOINTMENTS LTD.
1 Altemark Street, London, W.1.

TAXATION £6,300 NEG

Opportunity for travel, exceptional prospects and fringe benefits (inc overtime) are offered to young qualified persons with pleasant personality and experience.

For early interview ring
D. Last 01-628 2691
DRAKE PERSONNEL

group financial controller

for Scottish & Newcastle Breweries, based in Edinburgh.
This major public Company wishes to make a senior financial appointment, reporting to the Finance Director, which will have direct and indirect responsibilities for the total finance function of the Group.
The candidate appointed, a chartered accountant probably aged around 40 years, will have had ten years' experience in large business organisations and will be a first-class staff manager as well as a finance specialist.

He or she will be seeking a post which will represent a significant stage in an already successful career and one where the finance role is seen in terms of asset management and financial planning.

Remuneration, including a Company car, will be negotiable in five figures.

Those interested should write for a copy of the Annual Report or may telephone for a brief private discussion to John B Benson Group Personnel Manager Scottish & Newcastle Breweries Limited Gilmore Park, Edinburgh, EH3 9SB. Tel: 031-229 9377.

Scottish & Newcastle Breweries Ltd

FINANCIAL MANAGER GERMANY-FRANKFURT BASED

INTERNATIONAL FINANCE AND LEASING CORPORATION

MAJOR U.S. COMPANY

COMMENCING SALARY CIRCA DM 65,000 NEGOTIABLE

As a world leader in the field of large scale leasing, we leverage and complex financial business, our efforts are developing at a rapid pace in Europe and particularly in one of their strongest markets—Germany.

We are seeking a highly motivated, young financial manager, who is numerate and speedy in the handling of complex figures, with a personable and objective personality.

Knowledge of the finance and leasing business in some form is highly desirable, as would be a good understanding of German taxation.

He will be given the maximum of personal responsibility, reporting to the senior financial manager in Germany, with the objectives of:

- (1) Liaison and development of relations with main German Banks providing funds for our clients' operations.
- (2) Involvement in large scale computer leasing or international tax leverage schemes.
- (3) Providing support to the high powered marketing team in Germany in the pre- and post-sales completion of leasing deals and contracts.

The successful candidate should either be fluent in German or capable of fluency within a reasonably short period and enjoy a highly marketing orientated atmosphere in a continually changing environment.

We are shortlisting immediately. Telephone or write in strictest confidence quoting reference number FT802.

INTERNATIONAL EXECUTIVE SEARCH-MANAGEMENT AND PERSONNEL CONSULTANTS
CROWN HOUSE MORDEN LONDON SM4 5EP
ENGLAND TEL: 01-540 8311. TELEX: 628821

Corporate Accountant £6250+

Williams & Glyn's Bank requires a qualified accountant (ACA or ACMA) to fill a new appointment in the Comptroller's Division. Based in the City and reporting to the Manager, Financial Accounting, the successful candidate will assist in managing the Head Office Accounting Department and will participate in the preparation and forecasting of the Bank's profit figures. This position will provide an excellent opportunity to acquire an understanding of a wide range of banking and related activities.

Applicants, ideally aged 25-30, should have at least two years' post-qualification experience gained in a similar organisation or a professional firm. An ability to communicate effectively with senior management is essential.

Salary is negotiable from £6250 and generous fringe benefits, including subsidised mortgage facilities, are available.

Please write giving full career details and quoting reference B.765, to—
P. D. Richards, Williams & Glyn's Bank Limited, New London Bridge House, London, SE1 9SX.

WILLIAMS & GLYN'S BANK

Auditing in an International Banking Environment

A major American Bank, long established in London and Europe, is seeking staff to assist them in their new audit developments which are principally geared to a systems orientated environment.

They need both qualified/part qualified accountants and bankers as well as less experienced personnel. For the more senior posts the successful applicants would ideally be Western Europeans seeking a base in the U.K. qualified or part in accountancy and/or banking, and between the ages of 25-32. The junior positions require personnel preferably to have some experience of banking but fluent in a foreign language with preference given to French/German and be between the ages of 19-26. All positions offer the opportunity to travel worldwide.

An excellent salary will be offered to successful applicants, with generous fringe benefits usually associated with a first-class bank.

Applications, which will be treated in complete confidence, should be addressed to: Box A.5792, Financial Times, 10, Cannon Street, EC4P 4BY.

Assistant Group Accountant

City £6,000 Min.

THE COMPANY: A multinational corporation with 600 subsidiaries and group turnover in excess of £1,000 million. Its diversified activities embrace most aspects of international trade and there is an established presence in many countries. It is an expanding, dynamic, enterprising and competitive organisation: to those of ambition and initiative it offers outstanding prospects of career advancement.

THE JOB: As a member of a small, young, qualified team at Group headquarters reporting to the Group Financial Accountant, duties will include monitoring, consolidating and reporting on the regular input of management and financial information from regions, and there will be some overseas travel. The continued growth of the group also provides a number of ad-hoc investigations.

THE CANDIDATE: Must be a qualified accountant, aged 24-28, and previous experience of a similarly competitive environment would be a distinct advantage. High priority will be given to technical competence combined with personal qualities of ambition, flair and adaptability.

For further information contact I. T. Williamson, B.A.

Reginald Welsh & Partners Limited.
Accountancy & Executive Recruitment Consultants
123, 4 Newgate Street, London EC1. Tel: 01-600 8387

CHIEF ACCOUNTANT

Kuwait c. £10,000 p.a. tax free

Our clients, a newly formed Kuwaiti Securities Company, require a Chief Accountant experienced in general accounts and accounts relating to transactions in securities. Will also be required to prepare profit and loss statements, balance sheets and regular reports for the Board of Directors.

Applicants should be practised accountants with at least five years' relevant experience in a position of authority in a U.K. bank, brokers or investment house.

Ideally suit a single man 25 to 35 years of age although married applicants will be considered. Two year contracts renewable, free air-conditioned accommodation, medical cover and life insurance, 30 days leave per annum with return air ticket provided. The salary will be free of local taxes.

Please write with career résumé to F. J. Selleck quoting 55A41. Interviews will be held in London.

F. J. SELLECK ASSOCIATES (U.K.) LTD.,
International Recruitment Consultants,
25 Head Street, Colchester, Essex.

TAX PARTNER

LONDON To £14,000

A well established firm of Chartered Accountants with a comprehensive client range seeks to recruit a Tax Partner. Designate to plan and organise the development of its tax department.

The practice provides a complete range of financial services to its clients, and accordingly will expect the appointee to expand and develop the total tax planning function within the firm.

Applicants, male or female, should be able to demonstrate sound technical knowledge, managerial qualities and sufficient commercial acumen to make an early contribution to the practice.

For detailed background information on the appointment, contact Douglas Lambias A.C.A., A.T.I.L., quoting reference 1734.

All applicants will be treated in the strictest confidence.

Douglas Lambias Associates Ltd.,
410 Strand, London WC2R 0NS.
Telephone: 01-836 9501
and 3 Coates Place, Edinburgh EH3 7AA.
Telephone: 031-225 7744.

Treasurer

London based
A major US corporation seeks a Treasurer for its European operations.

Candidates will have a minimum five years management experience in banking with a multi-national, plus a relevant finance degree or professional qualification.

Please write with full career history and current salary to Neil Macmillan, Managing Director, The Accountancy People, 21/24 Chiswell Street, London EC1Y 4UB. Please list in a covering letter any company to whom you do not wish your application forwarded.

THE FINANCIAL TIMES Direct Mail Specialist

The FT is looking for someone with at least two years' experience in direct mail operations for the promotion of the ten FT business newsletters. Knowledge of business publishing and wider marketing experience would be an advantage. Salary by negotiation.

Write to:
Peter Sabine
Syndication Department
FINANCIAL TIMES
Bracken House, 10 Cannon Street
London EC4P 4BY

GENERAL APPOINTMENTS

CREDIT AND GUARANTEE INSURANCE COMPANY

UNDERWRITING STAFF

C.G.I. who will be moving to larger offices in the City shortly, require Staff to assist in the development of the Company.

Duties will involve the assessment of credit insurance, supplier default and surety applications. Appointments will be at Underwriting Assistant and Assistant Underwriter level where annual salaries range from £3,000 to £5,000.

Suitable background obtained in Commerce or Banking is essential.

Applications to:
V. J. Fowler, Managing Director,
Cornhill House, 59/60 Cornhill,
London, EC3V 3NP.

FORD MAIN DEALERSHIP

A GENERAL MANAGER & SALES MANAGER

We are a group of motor trade companies and due to continued expansion and internal promotion we have the above vacancies at a FORD MAIN DEALERSHIP in Central London. These positions are for experienced male or female managers only.

Applications forms from Thomson Holdings Limited, Paterson Road, Welwyn Garden City, Hertfordshire, Herts SG2. (Phone 244584.) The strictest confidence is assured.

FINANCIAL SERVICES

salary circa £6000 p.a.

Small, well established, financial services company seeks to expand its present team of executives.

Age preferred, under 35, and stock exchange or accountancy experience would be helpful. Salary system only, no commission. Telephone in first instance to 01-404 5661.

CITY DEPOSIT BROKERS

Are you an experienced broker or looking for the chance to work in the London Money Market and have the ambition, tenacity, ability and personality to further your career?

If so please write in confidence to:
The Staff Partner
CITY DEPOSIT BROKERS
Royal London House
22 Finsbury Square
London EC2A 1TJ

The successful candidates will have as their first step which could eventually lead to a Partnership.

YOUNG CHARTERED ACCOUNTANTS

up to £6,500 London/Midlands

We are seeking on behalf of several industrial clients based in Central London and the Midlands, top calibre A.C.A.S. in the age group 24-30. The positions are varied offering excellent management and financial accounting experience in "blue chip" companies.

DUKE CAREERS
Tel. 01-283 2881 quoting ref. S.J.G.
21 Liverpool Street, E.C.2

Handwritten signature or note at the bottom of the page.

GENERAL APPOINTMENTS

GENERAL APPOINTMENTS ARE CONTINUED TODAY ON THE FOLLOWING PAGE

SENIOR GILT EDGED ANALYST

The Post Office Staff Superannuation Fund is one of the largest pension funds in the country. At present, its gilt edged portfolio exceeds £100m. and is expanding rapidly. A Senior Analyst is required to assist in the management of this portfolio. The successful applicant will have at least two years' experience of gilt edged fund management and will be able to contribute towards policy formulation immediately. He/she will probably have a university degree and a professional qualification.

Salary will reflect qualifications and experience, and is unlikely to be less than £6,000 p.a.

Applications, with curriculum vitae, to:
T. Grimes

Assistant Investment Manager
POST OFFICE STAFF SUPERANNUATION FUND
67 Chiswell Street
London EC1Y 4SX

INVESTMENT ANALYST

One of the City's largest stockbrokers with a high reputation for research has opening for an experienced analyst to cover:—

BREWERIES

The successful applicant will already have established a reputation for quality research and will be expected to (i) maintain a close liaison with company management, (ii) prepare regular written material primarily for institutional clients and (iii) speak to major institutions regularly by telephone.

Salary and bonus will produce a very substantial level of earnings for the selected applicant.

Please reply to:

STREETS FINANCIAL LIMITED
62 Wilson Street, London EC2A 2BU
quoting reference FMG/237 and indicating any companies to whom you do not wish your application to be sent

Senior Gilt Sales Executive

Leading Firm of Stockbrokers

Our Client, a prominent and highly respected Member Firm, seeks an experienced sales executive to join its established institutional gilt team.

The successful applicant will find this position an excellent opportunity for career advancement, and the accompanying financial benefits will be most attractive.

For further information in absolute confidence contact A. J. Tucker, M.A. on 01-405 3499



Lloyd Executive

Brownlow House, 50-51 High Holborn, London WC1V 6EQ Tel: 01-405 3499

Confidential Reply Service

Manager Correspondent Banking

Our client, a major U.S. INTERNATIONAL BANK, wishes to appoint a Manager for its Correspondent Banking Group in London. The position involves responsibility for the development and maintenance of relationships in both credit and services with U.K. based banks and in trade financing with overseas banks and trading companies.

Applicants, male or female, should have proven managerial ability and experience in international trade financing. A sound knowledge of international banking operations is also required together with the ability to develop new banking relationships at a high level.

It is anticipated that the successful candidate will be a self starter, preferably in the mid 30's and ready to accept the challenge of managing a department and producing results in a competitive environment.

Salary will be commensurate with qualifications and experience and there is a full range of attractive fringe benefits. Please write, giving full career details, to J. M. Stainer at the address below, quoting ref. MCB/165/FT.

List on a separate sheet any companies to whom you do not wish your reply to be forwarded. All replies will be answered.

B&B

Benton & Bowles Recruitment Limited
197 Knightsbridge, London SW7

FOREIGN EXCHANGE DEALER

To £5,500 plus fringe benefits

An international bank, long established in the City, seeks a Foreign Exchange Dealer. Candidates should also have some knowledge of, and experience in, general banking, especially in foreign exchange back up and instructions. Dealing experience should extend to 3 years in a bank and it is expected candidates will be not older than 30 years of age.

Please contact:

David Grove
JONATHAN WREN AND CO. LIMITED
170 Bishopsgate, London, EC2
Tel: 01-623 1266

Key Position

Account Executive with at least two years trade experience.

Commodity Brokers

Our client is a well known, growth orientated American firm.

You will be 25-35, self motivated and looking for the opportunity to realise your higher earning potential.

Please contact F. J. Stephens

Stephens Selection

35 Dover Street, London W1X 3RA. 01-493 0617

Recruitment Consultants

A Senior PR Opportunity for the future

A unique opportunity for a senior PR director/executive to join at the highest level an established company specialising in City, political and industrial work. He or she will certainly have a portfolio of personal and loyal clients and possibly be running their own small consultancy. Attractive and convenient offices with full facilities and, for the right man or woman, the salary, status and future could be very exciting. Initially, write informally — we will observe the strictest confidence — to:

Box A5784, Financial Times
10 Cannon Street, EC4P 4BY

Phillips & Drew

ECONOMETRICIAN

We wish to expand our economic research section. We would therefore like to hear from economists with a strong econometric or mathematical specialisation. Applicants should have at least one or two years' experience preferably in a financial or forecasting environment. The successful candidate will join an economic and corporate research team with a high reputation in the City and in Industry. Remuneration is competitive and there is scope for rapid advancement. There is a profit-sharing scheme, pension fund and other benefits. Please apply to the Staff Manager,

Phillips & Drew

Lee House, London Wall, London EC2Y 5AP

General Manager Banking

GULF-\$45,000 plus
(Free of Local Taxes)

Our Client is an established Bank, backed by international and local Partners. It serves both the local business community and international companies, having substantial lending and foreign business.

They wish to appoint a Chief Executive who will report to the Board, while working within established discretionary limits.

The successful candidate will:

- Have experience in all aspects of commercial lending and foreign banking, including currency transactions.
- Have demonstrated the qualifications required to manage a largely independent operation.

- Possess the imagination and drive required to expand an already successful bank. Personal rewards will be related to results.
- Welcome working and living in the Middle East.

Knowledge of the area is an advantage but not essential. Accommodation and transport will be provided. Other appropriate benefits are negotiable.

Please write stating age, current salary and how you meet our Client's requirements, quoting reference GM/3814/FT on both envelope and letter. No information will be disclosed to our Client without permission.

Urwick, Orr & Partners Limited Baylis House, Stoke Newington, London N16 7PP

Shipping Lawyer

Leading City Solicitors expanding the shipping side of their business plan to establish a separate internal department to specialise in this field.

To develop this new department they seek a lawyer of outstanding ability with a thorough knowledge and experience of shipping law and finance. The ideal candidate will be a person of standing, ambitious to

expand a shipping department within a large general commercial practice.

Generous terms with excellent partnership prospects are offered. Please send full details of your career to the address below. All correspondence will be treated in strict confidence, and you should state the name of any firm to whom your application is not to be submitted.

Box No. 236, Streets Financial Limited, 62 Wilson Street, London, EC2A 2BU.

STOCKBROKING

Outstanding opportunity for young institutional sales-man/woman to participate in the further development of an established but still growing stockbroking firm

Present staff have been informed of this appointment
Write Box A5788, Financial Times, 10 Cannon Street, EC4P 4BY

Merchant Banking

The merchant banking affiliates of American Express International Banking Corporation is expanding and requires the following staff:

International Bond Department

Experienced Bond Negotiator capable of handling primary market placings and secondary market transactions. Appointment will be that of Vice-President located in the Middle East.

Trainee Dealer age 18-22 based in London. Ample opportunity for promotion, and the future very bright for the right applicant.

Corporate Finance Department

Senior Corporate Finance Officer with merchant banking background and experience in mergers and acquisitions, capable of training and developing a new team. To be located in the Middle East, where he would be expected to generate new Corporate Finance business.

Junior Corporate Finance Officers with relevant experience, to be based in London. Accountancy or legal training, and fluency in second language, preferred.

Shipping Department

Experienced Credit Analysts to work in a team specialising in provision of ship mortgage finance to international shipowners.

Fully competitive salaries with appropriate fringe benefits will be offered.

Replies, please, enclosing curriculum vitae, to: Jane Weyman, Personnel Manager, Amex Bank Limited, 120 Moorgate, London EC2P 2JY.



Managing Director

£12,000

For a most interesting situation in an engineering company in the West Midlands with sales of £11 million. Although profitable the company has failed to make progress: considerable reinvestment is foreseen and leadership and drive are sought to bring about dramatic improvements. There is backing from a £180 million public engineering company.

The job will tempt any professional general manager, from engineering, who relishes the prospect of rebuilding a company to return it to its erstwhile dominant and highly profitable position. Candidates must have an engineering background and preferably be aged 35-40 with some experience of foundry work. They must be able to show evidence of successful team leadership through planning, delegation and control and an ability to take decisions and act on their own.

The need to offer considerably more than £12,000 is unlikely to be a bar to making the right appointment. Other benefits, including a car, and long-term prospects of promotion are good.

Please apply in complete confidence, quoting Ref. 511/FT stating experience, present earnings, age and qualifications to:—

CB-Linnell Limited

8 Oxford Street, Nottingham
SELECTION CONSULTANTS
NOTTINGHAM : LONDON



Baring Brothers & Co., Limited CORPORATE FINANCE

Barings are seeking one or two executives with ability and experience to join a corporate finance team which is established in London and in affiliated companies overseas.

The successful applicants will probably be graduates, aged between 24 and 32, with a professional qualification in accountancy or law, or with a business school degree. Experience in corporate finance work will be a distinct advantage. After a period with Barings in London, the new executives are likely to be offered the opportunity to work in one of the bank's affiliates overseas.

Applications, enclosing a curriculum vitae, should be sent in confidence to:

Merrick Kild
Baring Brothers & Co., Limited
88 Leadenhall Street
LONDON EC3A 3DT

GENERAL APPOINTMENTS

Kidder, Peabody Securities, Limited
Fixed-Interest Specialists for Eurobond
Advisory Department
We wish to expand our Eurobond advisory services...

Reed Executive
Manufacturing Director
Northern Based c. £12,000 plus car
This is a key post with the main manufacturing division of a successful public company...

Jonathan Wren
Banking Appointments
The personnel consultancy dealing exclusively with the banking profession.

INVESTMENT OPPORTUNITIES
A major international bank wishes to recruit an economic graduate who ideally majored in international finance and economics...

SENIOR ACCOUNTANT to £4,000
28-36, qualified, five years exp. lead. firm and consolidating exp. in a major international company.

OIL SUPPLY/TRADING
British subsidiary of U.S. Oil Company has post in London Office for person well experienced in supply operations...

INVESTMENT OPPORTUNITY
We have a vacancy in our Investments Department for a person to assist in the management of Trust Fund portfolios...

INTERNATIONAL COMPANY STARTER
MUSIC MARKETING
Required to plan, implement and coordinate music marketing for major international company...

ANALYST
Electricals
A major firm of London stockbrokers is seeking an experienced professional analyst...

APPOINTMENTS WANTED
CHARTERED ACCOUNTANT
47, ex-international Finance Director
Four years and a half free to go anywhere...

OVERSEAS PROPERTY
CYPRUS. Near sea and town. Old village houses. Magnificent location.

ART GALLERIES
LIVING BRITISH ARTISTS. LANDSCAPES
Selections for the Postholder

CLUBS
SVE. 189, Regent Street, 2nd Floor. A 1st class and all-inclusive. Three spectacular floors...

PERSONAL
OVER SEAS HOMES AND EDUCATIONAL ESTABLISHMENTS can be reached by the Postholder

PARLIAMENT
Improved freight figures expected
By Ivor Owen, Parliamentary Staff

AN IMPROVED financial performance by the National Freight Corporation was reported by Mr. William Rodgers...

Mr. Rodgers emphasised: "Real progress is being made in getting rid of this deficit."

Mr. Mulley has lost the confidence of the armed forces and that of our allies and should resign...

THE GOVERNMENT was abandoning its responsibility for guarding Britain, and the Opposition condemned its whole so-called defence policy.

When Mr. Shepherd complained that, even with a very high level of expenditure, the defence budget was still in deficit...

Mr. Mulley and the Government have put their party before their national duty. They have failed in their national duty.

Replied for the Government, Mr. Mulley claimed that Mr. Gilmour had made "serious and outrageous" allegations against the Government...

Mr. Mulley said it was nonsense to claim that our defences were below the level of safety. But he went on to disprove his own argument...

Mulley in sea of troubles

From now on, said Mr. Gilmour, the Secretary of State could only be a passenger in the Government. He argued that in the face of the threat presented by massive Soviet Warsaw Pact military programmes...

Government has put party before country's needs, says Gilmour

THE GOVERNMENT was abandoning its responsibility for guarding Britain, and the Opposition condemned its whole so-called defence policy.

Left and Right critics on Labour benches

Leading the attack by Labour Members on Government policy, Mr. Richard Cawthra (Lab., Tyneside) said that Ministers must know in their hearts that what they were asking the Commons to approve did not make sense.

Bank Holidays

MONDAY, December 26 and Tuesday, December 27, 1977 will be Bank Holidays in England, Wales and Northern Ireland and Scotland.

Manifesto Group finds Bevan views 'totally alien'

LABOUR'S MODERATE wing last night threw fuel on the controversy surrounding Mr. Transport House between representatives of the two sides in the manifesto group.

Car hazard complaints for Minister

MR JOHN HORAM, Transport Under-Secretary, agreed in the Commons yesterday to meet a delegation about the menace of "cannibalised" cars.

Labour settles for regional election of Europe MPs

By Rupert Cornwell, Lobby Staff
The six peers in Labour's full European delegation of 18 will also be elected under the new scheme, approved by a meeting of the PLP yesterday.

Mr. C... for TV... MARKETING... Various small advertisements and notices.

THE FINANCIAL TIMES

Incorporating THE FINANCIAL NEWS

Head Office Editorial & Advertisement Offices: BRACKEN HOUSE, CANNON STREET, LONDON EC4A 3DF



Expensive military hardware—Boeing's AWACS (left) and a Chief of Staff tank (right)—with Mr. Edmund Dell, the Trade Secretary (centre left), who returns from his talks in Tehran to-day, and Dr. Jamsheed Amouzegar of Iran.

Steady as she goes again

MR. HEALEY cannot but feel somewhat disconcerted by the news that the Prime Minister intends to take a more direct interest in the position of sterling from now onwards.

Two main reasons have been given for what must be, at the very least, a change in emphasis. The first and less important is also the one which it is easier to accept without reservations.

More open to doubt, however, is the main reason given for this shift of responsibility. This is that the negotiation of the IMF credit and the safety-net against withdrawal of official sterling balances will take sterling away from the centre of the economic stage.

How not to fight terrorism

IF THE French Government's policy of fighting international terrorism was ever entitled to be taken seriously, it cannot be taken seriously now.

The cynical will assume that the rescue of Abu Daoud is directly connected with France's long-standing policy of developing friendly relations with the Arab countries.

Such an interpretation is not inherently implausible, but it should probably be qualified in a number of ways. In the first place it is difficult to believe that France's political and commercial relations with major Arab States like Egypt would have been seriously impaired if French judicial processes in the Abu Daoud case had been allowed to take their course.

DR. JAMSHED AMOZEGAR the chief Iranian delegate who normally epitomises cool urbanity, looked uncharacteristically grim at the end of last month's Organisation of Petroleum Exporting Countries' meeting in Doha.

"I really don't believe so," said Dr. Amouzegar. "OPEC is currently producing 31m. barrels a day. Saudi Arabia and the UAE are now producing 11m. b/d. The world cannot live without the other 20m. b/d."

Now, less than a fortnight into 1977, Iran has announced that output for the country as a whole fell by 38 per cent. in the first nine days of the new year compared with the average for the December period.

However, Iran's concern is justified, and the postponement of the presentation of the budget for the 1977-78 financial year was undoubtedly dictated by the prospect of a revenue shortfall more severe than had been expected in Tehran.

MEN AND MATTERS

Henry Ford bows out

Henry Ford II's decision to leave the Ford Foundation severs the last link between America's largest charitable institution and the family which created it.

In his resignation letter Ford criticised the fund's failure to appreciate the capitalist system that provides the money it gives away.

From the 1950s on it grew into the huge international charity it has since become. It gave away \$150.9m. last year but this was down on the record \$241.7m. in 1974.



"WE should be so lucky!"

Bookish export news

Hard to put Robert Maxwell down. Yesterday publisher Maxwell, whose Pergamon Press announced a 275 per cent. rise in pre-tax profits for 1976 to £23.5m., claimed to be one of the few British exporters to beat the j-curve effect of sterling devaluation.

He says he is amazed that hardly anybody else in the publishing business, which exports around 45 per cent. of its turnover worth £350m. to the

IRAN'S CURRENT ACCOUNT

Table with 3 columns: Year (1974/75, 1975/76, 1976/77*), and rows for Current receipts, Current payments, Net current account, etc.

U.K. TRADE WITH IRAN

Table with 2 columns: Exports to Iran and Imports from Iran, with sub-categories like Iron and steel, Transport equipment, etc.

payments to contractors and far bleaker than the Shah could have envisaged, even in his gloomiest moments.

It was precisely because of the buoyant sales of oil that from about the middle of last year pressure mounted on foreign contractors on defence projects and potential suppliers of sophisticated military equipment.

But, even before the OPEC conference, there were no illusions in Tehran. Last year the Government and state agencies fell progressively behind with

the OPEC meeting it will be difficult for any customer to stick to obligations, whether specific or of a more gentlemanly kind, entered into before the two-tier price system came into force.

Oil companies have complained that they have been asked by the NIOC to present new letters of credit to take into account the higher prices without being officially told what the prices are.

Thus, just when Iran desperately needs a secure and substantial long-term lifting arrangement it has not got one.

In this situation Iran is seeking at least to ensure a certain volume of output through the oil barter system and appears to be concentrating its pressure on the U.K., perhaps assuming that because of its economic weakness it would be most likely to succumb.

The NIOC has put pressure on both consortium members and other purchasers to lift as much heavy as Light. It remains unclear what were the precise commitments made by the oil companies, however, with black-listing, but follow-

with BAC and a commercially viable one, too. But the volume is small at 17-20,000 b/d, and Shell seemed uneasy about an agreement which committed it even for such a modest quantity, to a source of supply for a period of up to four-five years.

Moreover the huge deals sought with U.S. defence contractors—worth an estimated \$3bn. over five years—have run into difficulties with anti-trust restrictions on the distribution of defence cranes.

As it is, the oil companies' resistance to oil "contra" deals with Iran must have been stiffened to the point of outright rejection. In itself the demand that a considerable proportion of crude being used as barter payment should be of the heavy variety makes it very problematical whether British Petroleum or Shell could accept oil as a third party to finance, for instance, the ordnance factory being built by Lains-Wimpey at Isfahan, under the Crown Agent's saga.

More immediately important, their willing participation in triangular arrangements can be ruled out because of the high level of Iran's oil prices. Whatever else, the fall in their liftings from the consortium area is a clear indication of the members' determination to exercise their option to the transaction in a bilateral one market place.

Advertisement for the Distressed Gentlefolk's Aid Association, featuring a cartoon of an elderly man and the text: "They gave me back my home, my friends, my whole way of life"

Handwritten text at the bottom of the page: "سكنا من الاصل"

J.P. [unclear]

FINANCIAL TIMES SURVEY

Thursday January 13 1977

Vehicle Fleet Management

Fleet operators widely regarded 1975 as the worst year for more than a generation and 1976 was only very slightly better. The present economic situation and continued big increases in costs leave plenty of worries.

THE MODEST quickening in together with the effects of the pace of activity registered latest increase in oil prices. will in some sectors of the economy inevitably colour the chances of was immediately felt by some a further period of voluntary road carriers in 1976. The costs wage restraint after July.

Apart from these more had been increasing by any general considerations, many where between 20 per cent. and fleet operators fear that the pre-30 per cent. a year according to Governmental review of vehicle size and the nature of national transport policy could the operation, rose at somewhat well result at some stage in an less feverish rates as the increase in vehicle taxation, par-

Government-TUC pay guide- lines began to make their not enough, there are the many uncertainties which are now arising from aspects of Britain's membership of the European Economic Community.

The improvement was of course only relative. It was also one which was not felt by all road carriers. In some sectors—such as parcels and small individual freight consignments—the recession was superimposed on top of a long-term downward trend. In heavy haulage, where activity had tended to hold up relatively well at first as the capital goods makers worked their way through the order books, the recession was felt rather later. In those sections serving the building and construction industry, the recession has yet to bottom and does not, at present, look like doing so for another year or two, while tank haulage was hard hit early on by the sharp fall in the demand for oil and chemical products.

The outlook presents an even more confusing pattern. There are now widespread fears that the world economic recovery may prove to be weaker and possibly less enduring than had been hoped up to even a few months ago. This prospect,

The impasse over the parallel EEC regulation requiring the compulsory use of tachographs seems even further from solution. Sections of the Transport and General Workers' Union in

front at the present time is the prospect that from the beginning of 1978 all holders of the "O" road carrier's licence will be required to possess an additional "transport manager's licence" so that access to the occupation of haulier throughout the Community will be permitted on a harmonised basis. There are, however, some consultations. The experience of "the worst post-war recession" has demonstrated that the road haulage industry has far more resilience than before 1939. There has of course been a lot of competitive rat-cutting—to a suicidal degree by some fringe operators. But the industry has a much stronger structure: there are more large firms—large, that is, by haulier standards.

Indeed, the only certainty on the whole of the EEC vehicle

port services has become much more sophisticated and industry's critics be able to claim its "fundamental instability" justifies the imposition of detailed capacity and

constitute a mature industry. Never again will the industry be able to claim its "fundamental instability" justifies the imposition of detailed capacity and

including stockholding and tariff controls of the kind which fleet operators may have to maintain and which some quarters would like to see re-imposed in this country. Likewise, the debate about national transport policy which was opened up by the Government's consultative document last spring could yet yield some economic and—if vans and light trucks of less than 3 tons unladen weight are excluded—fewer in number. Moreover, proportionally more lorry journeys take place nowadays on motorways and other rural roads. The total volume of lorry traffic in urban areas has been declining:

year's document merely showed that the real burden of the taxes paid by lorry operators had declined since the last official published study of road track costs in the mid-sixties.

Against this prospect, however, road carriers should set the robust manner in which the consultative document set about tackling certain other "myths" about the movement of freight by road. It brought out very clearly the limited scope for transferring a significant volume of traffic from the roads to the railways. It showed that, while the total ton-mileage of road freight traffic (ton-mileage is a measure of output which takes account of both the weight of freight moved and the distance over which it is conveyed) had increased very broadly in line with the growth of the economy generally, total tonnage had hardly increased at all because of changes in the pattern of production. At the same time, total lorry traffic had increased only very slightly. Between 1964 and 1974, when the total ton-mileage of road freight movement rose by 37 per cent., total vehicle mileage increased by only 7 per cent. Lorries had become bigger, more efficient, relatively more economical and—if vans and light trucks of less than 3 tons unladen weight are excluded—fewer in number. Moreover, proportionally more lorry journeys take place nowadays on motorways and other rural roads. The total volume of lorry traffic in urban areas has been declining:

there has even been a decline if vans and light trucks—which account for over 60 per cent. of freight movement on urban roads—are included in the picture. Indeed, it is distinctly possible that as a result of the consultative document a more objective appreciation of the role of the lorry in today's society may become more widely held. Already one can detect signs of a growing sense of realism on the part of some local authorities as they face up to the practical realities of implementing the "Dykes Act."

One has of course to balance the need to facilitate the rapid and efficient movement of freight with proper protection for amenity and the environment. But the basic question is one of choosing how much environmental protection the community is willing to pay for through higher distribution costs (and thus higher shop prices), and of how rapidly those additional costs should be imposed by further improvements in vehicle noise and smoke emission standards and by further changes in vehicle routing, access, loading and parking restrictions. It may still be some time before a consensus is reached on these matters, but last year's consultative document does seem to have given the debate a more disciplined and commonsensical structure.

Improvement was only relative

By Colin Jones

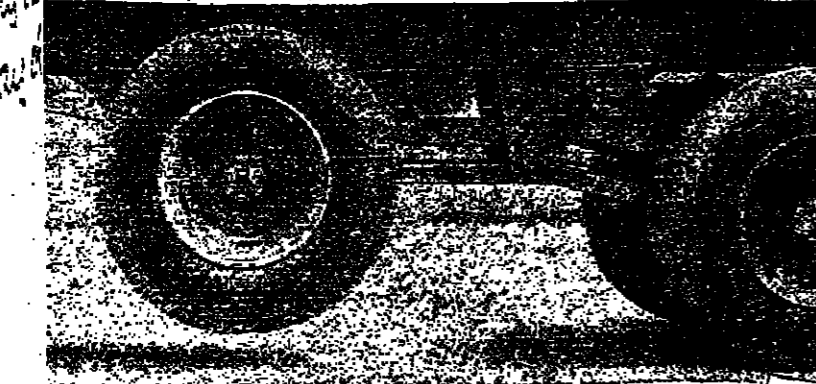
YORK FREIGHTMASTER® trailer vans-for quicker turnaround and reduced handling-plus the savings of HOBOb*

The reason you see so many York Freightmaster trailer vans on the roads of Europe is very simple. There's an awful lot of them and they work very hard for a great many people.

The Freightmaster is the basic distribution unit in so many different industries. By carrying big loads, by cutting cargo damage and by speeding turnaround time, the Freightmaster does so much to reduce delivered costs, besides proudly proclaiming the wares of the company serves.

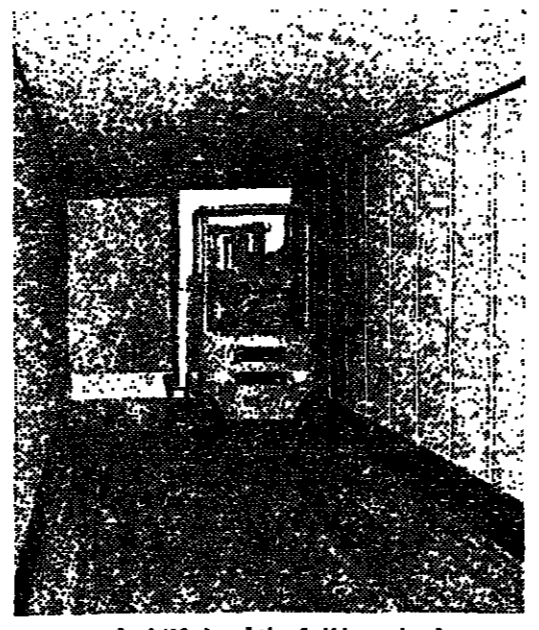
* Now York HOBOb saves around £310 per year, per trailer. Once again you benefit from York innovation, the first dual-purpose trailer spring suspension anywhere, designed expressly to save both fuel and tyres...and succeeding so emphatically with proven and measurable advantages.

YORK HOBOb TANDEM suspensions in 1- with York Hobo lifting axle.



Now with HOBOb—the trailer adapts to its load. Called the Hobo, this patented new suspension is truly an rgy saver. In reality it is two suspensions in one...a tandem for maximum loads or a single axle for part loads, weight loads or no load at all. The driver lifts or lowers the leading axle at will, adapting the trailer instantly to suit the load. (There is even an optional road protection valve that lowers the first axle if the rear is overloaded).

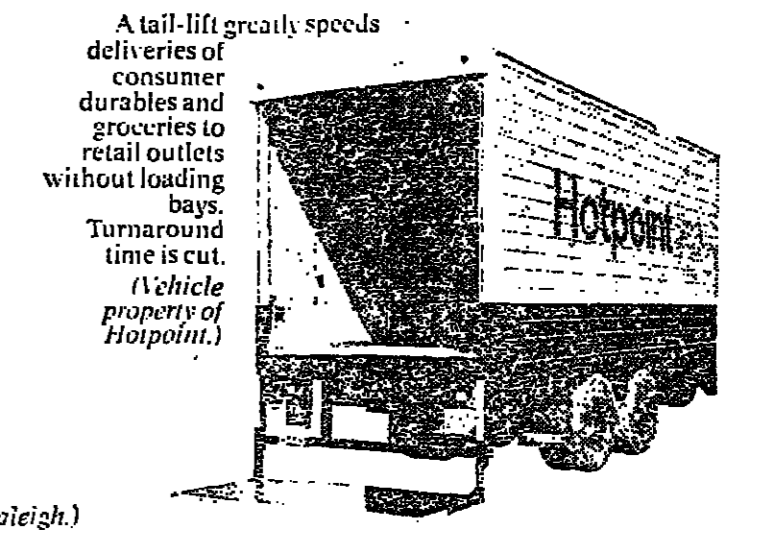
write or telex now for your free copy of the booklet sets out all the benefits and shows how HOBOb can pay for itself in under 18 months. Copies from any York branch or sales office.



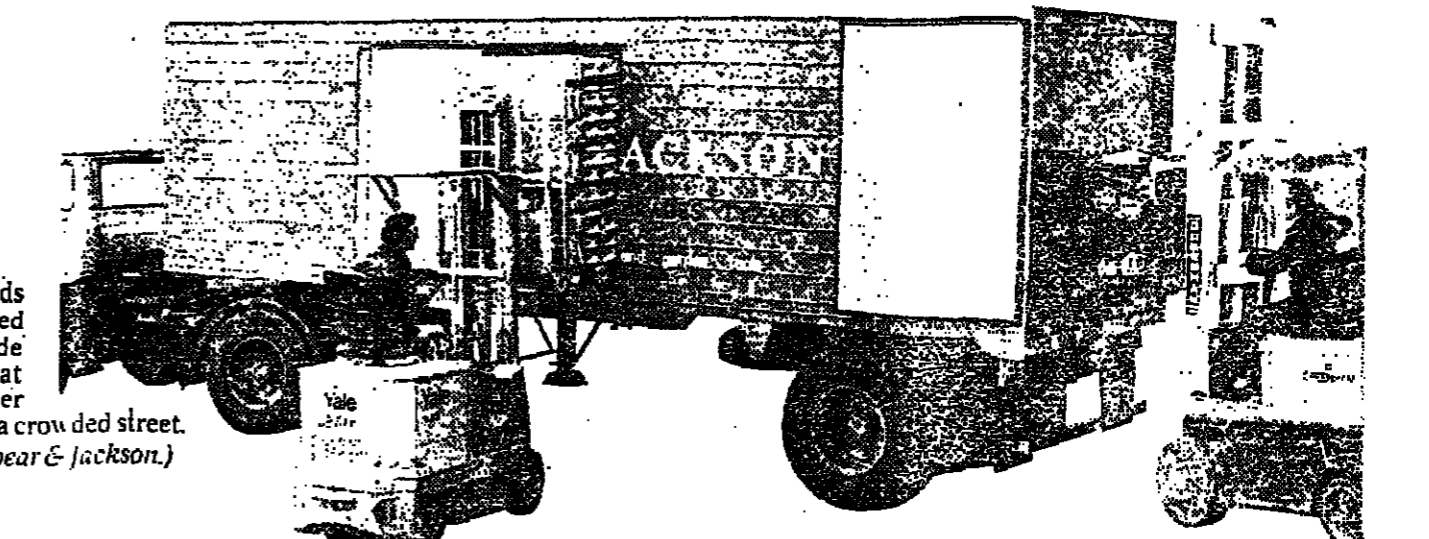
You can forklift-load the full length of a Freightmaster. The 7ft. 11in. internal width means that metric pallets can be carried side by side. York's standard floor is supported by crossmembers at 12in. centres and has been tested to 5,000lb. per truck wheel.



If you're carrying goods you can't stack, a second deck will increase capacity and protection. The translucent roof gives good natural lighting right to the front of a forty footer. (Vehicle property of Raleigh.)



A tail-lift greatly speeds deliveries of consumer durables and groceries to retail outlets without loading bays. Turnaround time is cut. (Vehicle property of Hotpoint.)



Access to mixed loads and loading in restricted space is possible by side doors. Roller or wide slat shutters make life easier if you're offloading in a crowded street. (Vehicle property of Spear & Jackson.)



Loaders load while drivers drive the Freightmaster way at Tesco. Freightmasters first started work for Tesco in 1959. Now they have 360. They carry more, for less cost. Tesco deal in value, and that's what Freightmaster economy is all about.

To find out more about Freightmaster & HOBOb TALK TO

YORK

York Trailer Company Limited, Northallerton, North Yorkshire, England. Telephone (0609) 3155. Telex 58600.

If you've got it a truck brought it.

FLEET SERVICE SATISFACTION FROM THE MASTER MECHANICS



AVIS CAR LEASING LTD
AUTO CONTRACTS
JOHN BLUNDELL LTD
J. BIBBY
LEVER BROTHERS LTD
RUMBELOWS
SPERRY VICKERS
TUBE INVESTMENTS
VISIONHIRE LTD

You don't have to look far to see why Master Mechanics are already entrusted with their fleet servicing and maintenance to us.

Backed as we are by Automotive Products, we can offer you a unique deal for cars and light vans.

As a fleet operator you need all the help you can get, giving you that help is the Master Mechanics' Promise.

- * **FIXED TERMS** for routine servicing and/or replacement parts standard at every Centre.
- * **Over 50 fully-equipped Centres**, staffed by specialists.
- * **Competitive rates—AND a sliding scale rebate on turnover.**
- * **Simpler accounting—just ONE INVOICE** each month.
- * **Centres are open SIX DAYS A WEEK—evenings too.**
- * **Work GUARANTEED** for 12 months or 12,000 miles.
- * **Electronic TUNING** with every service helps cut petrol costs.
- * **Prices INCLUDE** parts, labour and VAT.

Get the facts, without obligation. Clip the coupon on

RING PETER HANCOCK ON
021-6225341

Yes, Peter Hancock, Fleet Service Division, IASC, Bristol Street, Birmingham B5 7AS.

Please let me have full details of your FLEET FACILITIES No of vehicles involved

Name

Address

Phone

THE MASTER MECHANICS INTERNATIONAL AUTO SAFETY CENTRES

VEHICLE FLEET MANAGEMENT II

Living with the EEC

TO FLEET operators Britain's four-year-old membership of the European Economic Community has so far seemed more of an irritant than a blessing. The small minority who are regularly engaged on cross-Channel operations may have found the bureaucratic procedures they have to wrestle with a little more standardised and a little easier to penetrate. But the difference has been very marginal, while for the great majority whose activities have never ranged beyond our shores there has not been even this much to chalk up on the credit side.

Since the end of October every "O" licence operator has had to switch over to the EEC style log book. Since January 1976 (according to EEC law and rather later according to U.K. law) the new EEC standard rules on the minimum ages of drivers have applied. In a year's time—as things stand at present—every "O" licence operator will be required to take out an additional "transport manager's licence" for which new entrants will have to qualify by passing a written examination.

In the meantime, the future weight, size and configuration of lorries has been clouded by the uncertainty caused by the U.K. Government's refusal—with belated support from the West Germans and one or two others—to fall in with compromise proposals adopted by the Six shortly before Britain joined. This impasse may have been broken at the Transport Ministers' meeting in Brussels recently. But the uncertainties about whether and when Britain will formally accept the EEC rules on drivers' hours and tachographs remain. And in the case of drivers' hours in particular, fleet operators know full well that the extra costs they would face upon adopting the more restrictive EEC code would be offset by no conceivable benefit.

One needs, to keep these matters in perspective, however, to bear in mind that Britain joined the Community some 15 years after it had started. The Six may have made painfully little progress towards evolving a common transport policy, during that time, despite the importance this aspect of the Community was given in the Treaty of Rome. The Six may have been in the habit, as the Commission pointed out in its seminal report of October 1973, "of adopting at intervals partial and limited measures extracted from the Commission's proposals."

But the few disconnected rules the Six did

manage to agree upon before 1973 were adopted by a club from which Britain had chosen voluntarily to remain aloof. They were rules, moreover, which Britain, again voluntarily, chose not to raise in the bargaining which preceded the agreement on British accession. Since 1973, the Commission (in which the transport director general is a former U.K. civil servant) has been trying to develop the Community's common transport policy in an entirely new direction. The accession of Britain, Eire, and Denmark—countries to which sea and air transport was of crucial importance for movement to other parts of the Community—obviously called for a broader approach to the harmonisation of national transport policies (something which the Six had never got round to despite the provisions of the Treaty of Rome). But the Commission proposed going yet further. It suggested that harmonisation should be based upon a substantial and widespread liberalisation of the Community's freight transport market.

Instead of trying to harmonise the widely varying, and in many instances, highly dirigiste details of national transport policies, the Commission said the Community should aim to rely largely upon market forces. Provided carriers bore their proper share of the costs of the transport infrastructure they use, and that they comply

with certain minimum technical and financial standards, and provided the interests of safety and of transport workers are safeguarded, the user of freight services should be left as the final arbiter. The panoply of capacity restrictions and tariff controls which are characteristic of French and West German road freight transport policy should go, initially for intra-Community (that is cross-frontier) traffic and eventually for domestic operations as well, save only for a reserve power of intervention by national authorities in the event of a "serious disturbance to the market" (that is, a serious recession).

Approach

This approach was, of course, much more to U.K. fleet operators' liking. The Community was in effect suggesting that the Community should adopt a framework of policies akin to the present British—and Dutch—systems. But fleet operators should not really have been surprised by the Commission's failure to progress very far in even this direction. The history of the Community since 1958 had shown that politicians had never regarded this aspect of the Common Market as commanding anything like the same priority as, say, agriculture or the removal of frontier tariffs on intra-Community trade. The Commission's desire for a more market-orientated approach to

freight transport policy inevitably increased between the member countries' various national transport interests. And, as has been shown by the failure to agree for two years running on an increase in the Community quota of cross-frontier haulage quotas and a system of reference (in place of bracket) tariffs for intra-Community hauls, the resistance to an early measure of liberalisation even on a limited basis has been greatly increased by the pressures of recession.

Even so, fleet operators have a valid point when they say that the Commission is still inclined to involve itself too much in pettifoggish detail. True, some of the Commission's initiatives which are still the subject of debate or controversy stem from the pre-1973 approach to common transport policy—such as the regulations on drivers' hours and tachographs and the proposals for the harmonisation of vehicle weights and sizes, driving licences, vehicle tests, and vehicle equipment type approval. True, other proposals—for example, on vehicle taxation and on consultative procedures for major infrastructure projects of Community importance—stem from the post-1973 thrust to transport policy. The Commission might well achieve greater success if it were to focus its ambitions on a few basic essentials. Does it really matter at the end of the day if freight carriers in, say, Lancashire, were to go on

operating under a different regulatory regime from freight carriers in, say, Lumbury? Even if both are carrying goods that are eventually sold in competition in Lower Saxony, will the difference in transport costs arising from the difference in regulatory regimes be significant?

There are signs—in the Commission's approach to the harmonisation of standards for agricultural and food products, for example—that Brussels is becoming aware of the dangers of an overly legalistic and bureaucratic attitude, and this awareness might possibly be developed further under the Roy Jenkins' presidency.

In transport policy, where national interests are so strongly entrenched, the political will for harmonisation is so demonstrably lacking, and the resource benefits of complete harmonisation are so debatable, the Commission could well be better advised to concentrate upon liberalising cross-frontier movement, and forgo its other thoughts on harmonisation, at least for the time being. Last month's Ministerial compromise on lorry weights—whereby 40-tonne lorries would be permitted in cross-frontier hauls—showed they had five axes—pointed the way forward. But whether the Commission would be prepared to focus its ambitions so narrowly remains to be seen.

Colin Jones

Put your fleet problems to rights

- the right vehicles, as a result of professional advice from fleet experts.
- the right method of acquisition, because your needs are accurately identified and answered from several alternatives.
- the right price, from the results of better buying, and the volume economies of a large Group.
- the right residual values, through careful selection, buying and timing.
- the right service, because with everything else right—you wouldn't expect anything less.

For the right answers contact:



Michael F. Harris, Director,
 Hanger Fleet,
 Kingsbury Road,
 Birmingham, B24 9QE.
 Tel. 021 373 8121
 Telex 338745

A division of the Hanger Group

Tax arguments

ARGUMENTS ABOUT whether or not road users bear a proper share of the costs of the track they use have played a major part in discussions about transport policy for a good many years now. The fact that ownership of the track and operation of services tend to be two distinct and separate activities in road and waterway transport whereas railway operators are expected to provide and maintain their own specialised, exclusive track has always left scope for debate as to whether competition between these different modes of transport is conducted on a fair and equitable basis.

Recently, however, the argument has taken a new turn. In the first place, the Government's "consultative document" on transport policy last year raised the possibility that, because of changes in the real

value of road taxation since the mid-1960s and because of changed assumptions about the relative responsibilities of different classes of road vehicles for road wear and tear, goods vehicles in general—and heavy lorries in particular—were no longer paying in taxation sufficient to cover their respective shares of the cost of providing and maintaining the road system. In the second place, the argument has been widened from questions about the proper allocation of track costs to arguments about whether or not road vehicles should also be expected to pay for the social costs they impose upon the community in the form of noise, pollution, and environmental damage.

The question of social costs raises somewhat different issues. But there ought in principle at least to be general agreement with the idea that transport operators should bear an equitable share of the internal costs of the infrastructure they use. In a market economy system, prices should at least cover long run marginal costs. It is a basic concept in the vision of a liberalised transport market which the European Commission in Brussels has lately tried to offer, and it is one to which the present U.K. Government has publicly subscribed—for example, by restoring commercial pricing to most of the nationalised industries. Indeed, Mr. Peter Shore, the Secretary of State for the Environment, suggested to the NUR conference last year that fairness in the application of policies and pricing between different modes of transport and particularly as between road and rail is what most people wanted when they talked of an integrated transport policy.

In theory, of course, the principle should be equally applied to all transport modes. (This certainly is the European Commission's approach. Yet, according to the figures advanced in last year's transport policy consultative document, not only do buses and coaches fall short of covering, through taxation, their share of road track costs, as much as goods vehicles do, but British Rail's freight services are also bearing less than their proper share of rail track costs. Rail freight services incurred a loss of some £70m. in 1975 after being attributed with only the "avoidable costs" of operating freight traffic over a track and signalling system run jointly for passenger and freight services and after, furthermore, most of the historic cost of providing that track had been written out of the railways' books.)

Unlikely

For practical purposes, however, one might exclude bus and coach services from the argument on the grounds that the principle should be applied, at least initially, only to freight transport. One could even ignore, for the time being, the failure of rail freight services to cover their resource costs on the grounds that complete equity in charging policy is unlikely to result in any significant transfer of freight traffic from road to rail. Rail's share of the total freight market is now very small; the two modes are only marginally in competition with each other, and where the two do compete for the same traffic, modal choice tends to be, rather price insensitive.

Even so, it is not easy to see just how the principle can best be applied in practice even within the road freight transport sector. There are problems of inadequate or out-of-date data. The figures in last year's consultative document were based upon the tax revenues paid by road freight transport at the bottom of a recession and before the increases in duty imposed in last year's Budget. Road costs were calculated over the previous three years rather than over the next three years, when road expenditure in real terms will be much lower.

Does one calculate the capital costs of the road system on an amortisation or a pay-as-you-go basis and does one allocate wear and tear costs according to axle weights to the third power, as in the Government's road track costs study in 1968, or to the fourth power, as in the American Highway Officials' tests nearly 30 years ago and as adopted by last year's consultative document?

If one is aiming for precision, then clearly it would be better to recoup track costs, not through an annual excise duty, but through fuel duty on even a road pricing system which is sensitive to differences in vehicle mileage, yet even fuel taxes or a road pricing system cannot differentiate between various categories of vehicle, roads, and loads.

Loadings

Indeed, if axle loadings are crucial, should not one concentrate upon the small minority of vehicles which are overloaded (largely because of a bad distribution of the load on the vehicle) on the grounds that, as indicated by some studies, overloaded lorries contribute very substantially to wear and tear of the road system? If so, then is this not an argument for a more rigorous enforcement of the loading regulations, heavier penalties for offences—and a better understanding among road carriers of the distribution?

Finally, one also needs to keep an eye on developments elsewhere within the European Community. The EEC Commission is currently suggesting that methods of charging for road infrastructure should be harmonised by means of a road user taxation system related to the marginal costs of maintaining the road system. Such a system would not recoup the whole of the costs of road infrastructure, but there is something to be said for trying to ensure that whatever approach is eventually adopted, here, is not totally in conflict with the approach being evolved among our EEC partners.

But while the idea of spreading road users to bear their share of the resource costs of the road system is fine in principle, yet hard to translate into practice, the idea that they should also pay a rough taxation on the social costs they impose upon the community—as is now being argued both here and by the European Commission—is, in our view, misguided. Of course, the pollution should pay; but in a manner that gives him an incentive to minimise or eliminate the social nuisance he is creating.

The far better approach would be to continue to raise the standards of noise and smoke emission which heavy trucks and operators are expected to observe, to build more roads, so as to enable road traffic to pass environmentally sensitive areas, and in the specific case of the cost of road accidents to the National Health Service to transfer—has now been officially proposed—the burden to road users.

Time you made the great change to Dodge

Loads more!

Dodge 100 Series Commando really stacks up to that claim—by giving you more power to choose. Top on power is the Perkins T6 Turbo-charged diesel delivering a beefy 9.08 bhp per ton. Giving outstanding performance. Significantly quicker journeys. And more loads earned.

Or you can go for more payload per trip with the more compact Mercedes OM 352 diesel which allows at least half a ton more payload.

Want livelier performance—and a high payload? Then specify the Dodge Commando 16-tonner with the Perkins 6.354.2—and get the best of both worlds.

And to the power choice—add the biggest driveline choice. Plus a choice of specifications ensuring a virtually tailor-made chassis.

For the Dodge Commando driver, though, the only choice is supreme comfort. For now, a standard feature of the Hi-line cab is the new suspension seat, with adjustment fore and aft, cushion angle and rake.

So if your requirement is from 7.35 tons GVW to 18 tons GCW, you can see that Dodge 100 Series Commando means loads more vehicle for your money.



DODGE 100 SERIES COMMANDO

Dodge Trucks one great name world-wide



Handwritten signature or mark.

VEHICLE FLEET MANAGEMENT III

Specialist hauliers gain ground

ONE OF THE more noticeable effects on the road haulage industry of the continuing economic recession has been the gradual move away from own-account operators towards the professional haulier.

All companies are constantly mindful of transport costs, but the decision to change a system that might represent years of established practice cannot be taken lightly and is often made only after carrying out a programme of sophisticated operational research.

According to Mr. Bert Evans, the contracts supervisor of BRS, contract hiring is often no cheaper than own account operations, but its advantages lie in the number of tasks it takes away from the manufacturer.

—and look after maintenance, licensing, engine and administration. The vehicle can be provided in the customer's own livery, and national hauliers can offer the facility of flexible depots all around the country to act as temporary distribution points if the particular business is seasonal, the emphasis sometimes being on coastal deliveries during the summer months.

Components of the size of use of company-owned vehicles in the year, a vehicle would of production is now being moved by rail over the long haul.

ICI lays down no overall company policy, but of 9 divisions 3 are own-account operations. These fields are predominantly served by tankers for the transport of hazardous gases and liquids and other drivers are skilled in specialised loading and off-loading techniques.

Currently own account operations amount to between 10 and 15 per cent of inland transport costs, while the railways account for another 15 to 20 per cent.

One new factor in ICI's transport equation is the development of pipelines, and it now uses this method to transport ethylene from Teesside to Merseyside and in the future will be employing a pipeline from Teesside to Grangemouth which is now under construction.

International barriers

THE PATTERN of the future development of Britain's share of the international road haulage market is inevitably dominated by a single major issue—the restrictive quotas of freight permits available from other European countries.

the "piggy-back" system, under which trailers are transferred to rail for transport across the country and there is also the U.K. to Hamburg sea service which allows hauliers a special permit to travel on into Eastern Europe.

share of international road haulage. If manufacturers cannot find domestic hauliers with permits to carry their goods it is only natural that they will look elsewhere.

But it is seldom that large manufacturers find it advantageous to hold all their transport resources in the one field of own-account or contract hire. Normally the final balance results from detailed research that is being constantly updated and the consequent switching of resources may only be very small.

Two of the major questions facing any major manufacturer were examined by the study, namely how traffic should be allocated between the group's own transport fleets and other carriers, and how the services of outside carriers, if needed, should be bought.

The main components of the equation facing all operators of mixed own-account and carrier fleets are: (1) the fixed annual cost of operating a vehicle; (2) the variable cost in daily operation; (3) average carriers' charges for the same traffic.

Kevin Done

The demand for permits, allowing hauliers access to countries straddling the major routes through Europe to the Middle East and Africa, has exceeded supply for some years.

Incentives are offered to U.K. operators to take the rail alternative in the form of an extra road permit for every rail return journey made.

Most East European countries try to ensure that their goods are carried by their own transport, but on the journey home operators are anxious to find return loads.

After several years of operation this trip is now following a far more settled pattern, but drivers still face many physical difficulties that would hardly be experienced elsewhere.

Germany and Italy, which are often transit countries rather than final destinations, find it to their advantage to restrict permits in order to stimulate domestic haulage.

Acceptable bilateral agreements are clearly most easily achieved where they are to the mutual advantage of both countries concerned.

For the long-term future the EEC Commission is trying to liberalise cross-frontier road haulage operations within the Community by issuing a small number of EEC licences, which it is hoped would eventually replace bilateral permits.

Kevin Done

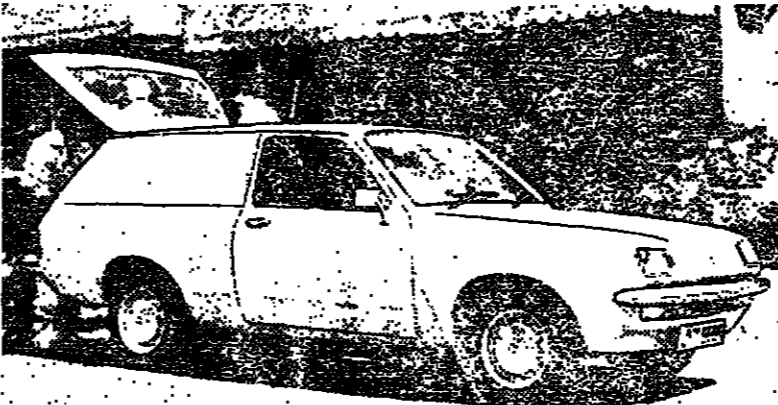
The route to the Middle East through eastern Europe and Austria is being made less attractive as both Hungary and Austria make moves to control the amount of haulage traffic in transit.

Turkey has decided to meet the upsurge in traffic caused by the run to the Middle East by imposing a new tax on hauliers aimed at providing sufficient funds to carry out a programme of road improvements.

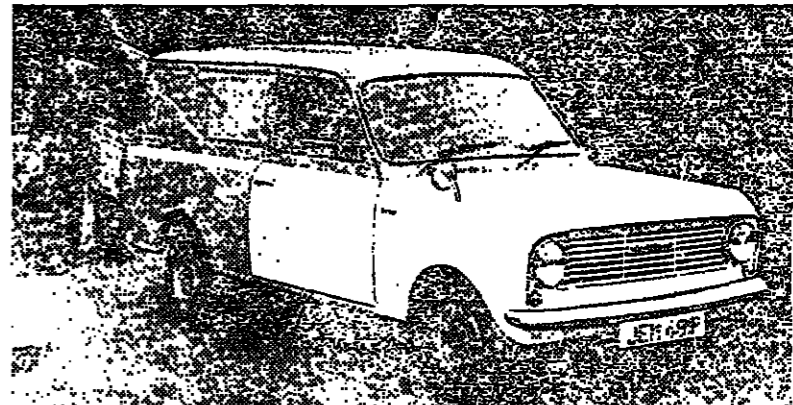
Several countries on the periphery of Europe impose permit restrictions, and where they do they are often beneficial to Britain.

The major effect of the quota system is that it artificially restricts the growth of Britain's foreign haulier.

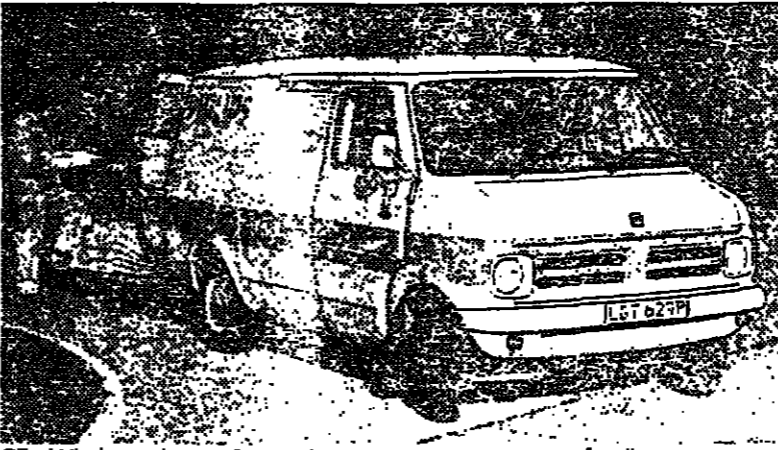
THE BUSY MAN'S GUIDE TO THE COMPLETE FLEET.



New Chevanne—1256cc Chevrolet engine—2 star petrol—stylish—comfortable—drives like a car—nearly half a ton payload.



HA—Practical shape (88 cu ft cargo volume)—firm favourite with big fleets—low initial cost—two models.



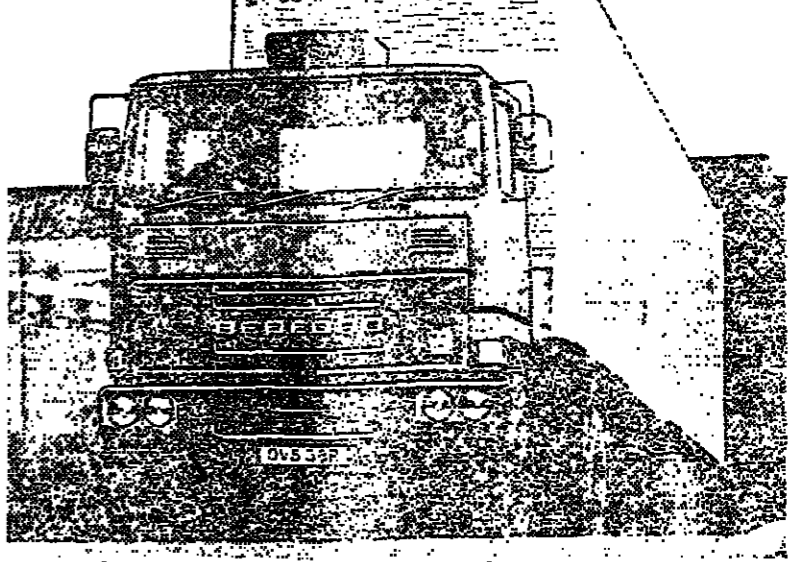
CF—Whole catalogue of recent improvements—new option of well-proven 2064cc GM diesel—new high-specification cab.



Bus & Coach—PSV range including VLS and YMT chassis with mid-engine design—and Bedford 500 diesel—excellent ride and handling—low initial cost.



TK—Top selling range—4 wheelers, 6 wheelers and tractors—from 5.6 to 19 ton gross—renowned for high payload capacities.



TM Muscle Trucks—11 additional premium trucks, from 19 tonne 4 wheelers to 42 tonne double drive 6 wheel tractors—two full-width cabs (one a sleeper)—296 bhp Detroit Diesel 8V-71.

From light vans to top weight premium trucks. Expert advice on choosing the right vehicle for the job. And an unbeatable back-up and parts service. We've enlarged the range at the lighter end with the introduction of the brand new Bedford Chevanne. It drives like a car. It's practical, economical, stylish and ridiculously comfortable.

Our traditional reputation for providing reliable and economical transport is confirmed by the latest figures, showing Bedford to be the top-selling truck in Britain for 1976. Taken with our latest developments outlined above, we think you'll agree; there's never been a better time to buy a Bedford.



Traditional

The main barrier to British traffic is presented by West Germany, Italy and France, but low countries beyond this more traditional obstacle are also introducing restrictions, which could have important repercussions for the growth of haulage to the Middle East in particular.

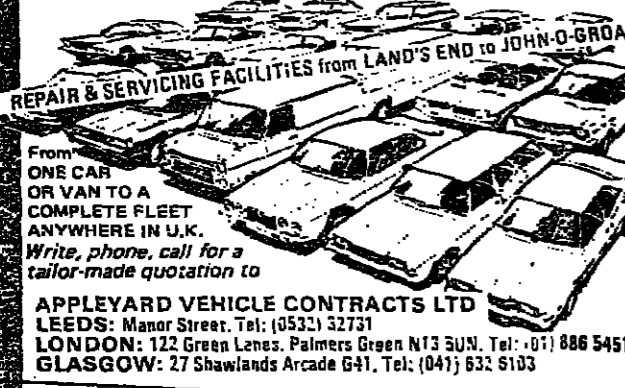
Despite their natural dislike for the quota systems, which normally operate bilaterally, many hauliers accept that countries such as West Germany and Austria do have a strong case for limiting traffic on environmental and amenity grounds.

Germany and Italy, which are often transit countries rather than final destinations, find it to their advantage to restrict permits in order to stimulate domestic haulage.

Advertisement for Master Hire car leasing, featuring images of various car models like Cavalier, Viva, and Chevette, and a coupon for requesting more information.

Appleyard CONTRACT HIRE

any make of vehicle—anywhere
FOR GO-AHEAD BUSINESSES
FROM A PERIOD OF 2 YEARS



**STOP PRESS!
London Office now open.**

at 122, Green Lanes, Palmers Green
Please contact John Binns, Southern Area
Manager, for further information/quotations

PLEASE SUBMIT FURTHER INFORMATION TO —
NAME _____
STATUS _____
COMPANY _____

FT 13

TrailaBox 400

Can double the capacity
of your existing van
...at a fraction
of the cost

- TrailaBox 400 — an extra 440 cubic ft. of capacity without the need for an Operator's license
- Inexpensive to buy.
- Inexpensive to run
- Low initial cost
- Minimal maintenance and depreciation
- Cuts servicing costs completely
- Requires no painting
- Simple to clean inside and out
- Rugged and reliable.
- Built to last.
- Perimeter frame of strong aluminium extrusion
- One-piece seamless walls of white, glass-reinforced plastic laminates bonded on to plywood
- Weatherproof, rat and corrosion free
- Interlocking alloy plank floor



TrailaBox 400 or 200 — tough, durable, guarantees years of trouble-free, cost-effective service even under the most arduous conditions
Phone Preston 22901 or post coupon today
Please send me further information on TrailaBox 400 TrailaBox 200
Name _____
Company _____
Address _____
SOLE U.K. CONCESSIONAIRES: DUTTON-FORSHAW SPECIAL PRODUCTS LIMITED, MOOR LANE, PRESTON, LANCs. Manufactured by: COACHWORK CONVERSIONS LTD, COLNE, LANCS.

Scicon Vehicle fleet management decisions?

- Consult Scicon — Market Leaders in applying Management Science Techniques to distribution problems. Problems solved include:
- Fleet size and mix
- Vehicle selection
- Maintenance planning
- Depot location
- Impact of legislation
- Scicon supply tailored or package systems
- Efficient fleet performance
- Vehicle monitoring systems
- Route planning
- Warehouse layout

Scicon supply tailored or package systems
Please send me brochures on Scicon consultancy and computer services. FT177
Name _____
Position _____
Company _____
Tel: _____
Richard Barker, Scientific Control Systems Limited (Scicon) Sanderson House 49-57 Bemers St. London W1P 4AG

Splitting insurance risks

WHILE THERE is not the same competitiveness within the insurance market for the insurance of relatively large fleets of vehicles, as existed some years ago, there is little doubt that many fleet owners are still able to secure insurance on relatively favourable terms. It appears as though, at any one time, there are a limited number of insurers who are prepared to write this business so as to secure substantial premiums.

Their reasoning appears to be that, if there is no underwriting profit from the exercise, at least it should be possible to earn some useful income from investing the premium before it is to be paid out as claims. While, of course, claims for accidental damage to vehicles will have to be paid quite quickly, thus giving a relatively short time for the investment of premiums, with many fleet insurers, a significant proportion of the premium is attributable to third party cover for personal injury cases. This is because there is an increasing tendency on the part of fleet owners to "run" the accidental damage risk themselves, and to insure for the liability aspect. As it is well known, it can be many years before a liability claim in connection with personal injury is settled. In fact, it can be argued that it can be in the interests of the injured party to prolong settlement, bearing in mind the tax-free interest which will be payable.

While that represents part of the reasoning of those insurers which write fleet insurances at relatively low premiums, bearing in mind past experience and the inflation which can be expected in the future, there is the practical drawback that it can be expensive to put this business on the books in the first place, and there is not guarantee that it will stay for more than a year. A fleet owner anxious to insure in the cheapest market is not necessarily likely to stay with the same insurer for more than a year. At renewal, more attractive terms than those available from the existing insurer may be obtainable elsewhere, and the insurance will be moved.

While, therefore, the prospect of investment profit from the premiums may look attractive to an insurer, the outcome is not always as planned—particularly when inflation increases claims costs at a higher rate than had been anticipated. Gradually, many fleet owners are appreciating the value of continuity so far as insurance protection is concerned, and realise that, like everybody else, insurers have to make a profit.

To insurers, high premium business, with the probability of relatively low profitability, is not so attractive as in the past. In view of the increase in premiums, brought about almost entirely by inflation, insurers are anxious to build up their reserves so as to maintain their solvency margins. And, naturally, they would much prefer to increase their reserves from underwriting profits rather than having to seek fresh capital from their shareholders—as has been the case on so many occasions.

A further problem is that some types of insurance for fleets of vehicles can be relatively expensive to administer, and costs of administration have to be taken very much into account in deciding what business shall be written. While, therefore, fleet owners over the past few years, in many cases, have been able to obtain their insurances on relatively favourable terms, it does not follow that this happy state of affairs will continue for very long.

For their part, many fleet owners have been trying to cut back on their insurance costs, by agreeing to meet what should be "run-of-the-mill" claims, and being insured only for liability claims and the potential "catastrophe." This, of course, does not make life any easier for insurers, who are thus denied the "bulk" premium which, otherwise, would be payable, and who are left with the risk of very high liability claims, coupled, perhaps, with the risk of the loss of comparatively few very high-valued specialised vehicles. For instance, values of up to £20,000, or more, per vehicle are no longer unusual.

As is well known, there is no limit in a commercial vehicle insurance policy applicable to third party claims involving personal injury. Normally, however, there is a limit in respect of third party property damage claims. This may be £250,000. Increasingly, fleet owners are finding that such a limit could prove inadequate, even in cases where supposedly non-hazardous goods are carried. Often, therefore, a higher limit is needed. Where greater cover is required than the motor insurers are prepared to give, normally, separate arrangements can be made in the open market.

Naturally, very high limits indeed are needed where hazardous loads are carried. Over the past year, there have been some practical examples of the damage which can be caused by tankers carrying explosive mixtures when they are involved in a serious accident.

It looks as though the levy to be imposed by the Government to help the finances of the National Health Service will be collected by insurers on the basis of a flat figure per vehicle. So far, £3 per vehicle has been suggested but, no doubt, by the time the levy is introduced, a higher figure will be required, to meet escalating costs. This levy will be imposed for commercial vehicles, in the same way as for any other vehicle. Thus, an owner whose vehicle is on the Continent for a large proportion of the year will pay the same amount as anybody else. Perhaps, however, fleet operators have some advantage over the private individual, since commercial vehicles spend so much longer actually on the roads than the average private car. The fact remains that this proposed levy is simply a concealed form of taxation. There is little doubt that collection of the money would be achieved much more satisfactorily, and more cheaply, if it was simply added to the cost of a licence for a vehicle. As it is, insurers and brokers will be incurring non-productive administrative costs for items such as reprinting stationary and reprogramming computers for the collection of this levy.

An increasing number of British vehicles are travelling extensively on the Continent, and gradually, insurers are building up experience of claims costs on the Continent. Generally speaking, therefore, insurers are less wary about giving Continental cover than in the past.

There are, however, considerable problems associated with heavy goods vehicles travelling to and from the Middle East. There is much more of this traffic, in view of the heavy congestion at some ports in the Middle East, with, in some cases, ships waiting for months before being able to discharge.

Insurers specialising in the insurance of hauliers' liability find that damage to goods carried accounts for about 60 per cent. of the total claims costs under these policies, with theft accounting for about 30 per cent. Theft is in no way confined to the "target" risks, such as cigarettes, whisky, electrical goods and so on. Some underwriters take the view that, if there has been a significant increase in thefts of food while in transit.

Over the years, underwriters writing this class of business have tried to take a positive approach to security, and much has been achieved. But, much as they might like to insist on all vehicles being garaged at night, the necessary facilities do not exist at present, and it is unlikely that many more lorry parks will be provided.

In the daytime, many underwriters would like to insist on vehicles being immobilised but there is driver resistance to such conditions. Broadly speaking, therefore, it is only when hazardous goods are being carried that insurers are likely to warrant that vehicles will be garaged and immobilised. There is a feeling among insurers that, while immobilisation is not perfect, usually they have the effect of "buying time." It is for a haulier to decide on the maximum indemnity required under a liability policy bearing in mind the conditions of carriage used, and the type of goods normally carried. Nevertheless, if goods with a high value per ton in the conditions of carriage are carried, it may not always be possible to limit liability to that figure. If, for instance, a haulier receives instructions through an intermediary, the owners of the goods may be able to make a negligence claim in tort for a higher figure.

For some hauliers, certain insurers will give "all risks" cover, so that the haulier can accommodate a customer where the former may not be strictly liable. Naturally, where this cover is available, it is more expensive than cover for legal liability, and a limit per load is imposed.

John Gamble

Stripped

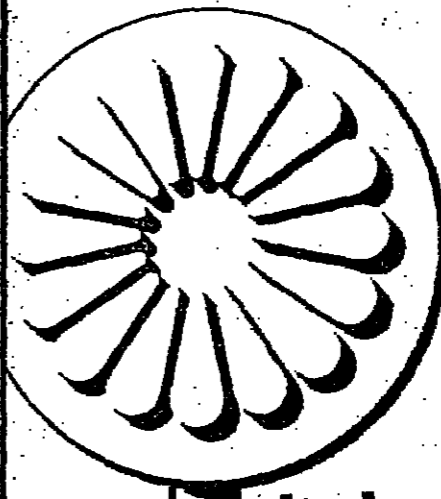
Insurers have found from experience that, if a vehicle is involved in an accident in, say, Turkey, it may very well be virtually stripped within a comparatively short time. There have been some massive claims on this route which, inevitably, have increased premiums under policies covering goods themselves, the liability of international hauliers, and the motor policies covering the vehicles.

To try to overcome some of the problems, a recovery service in Turkey has been set up. It is hoped that this will result in lower claims levels and, following an accident, goods reaching their destinations more quickly than, otherwise, would have been achieved.

Insurers can insist on vehicles being entered for this service. A fee is payable in the first instance by the owner, in return for which a certificate in Turkish is issued. The basis of the scheme is to offer drivers anywhere in Turkey immediate practical and financial assistance if they should be involved in an accident or trouble with the authorities. While the originators of the scheme hope to extend it, initially it is concerned only with accidents where underwriters' interests are at stake.

It is not a breakdown service. Nor does it cover medical expenses or administrative costs for drivers. These should still be insured separately, although it is hoped to extend the service to breakdowns as well as accidents. In due course, it is hoped that a similar service can be set up in other countries. The chief aim is to get a vehicle back on its route with the minimum of delay, and the cost of this emergency work, initially, is financed by the agent on the spot, with a recovery being made in due course from the appropriate insurers.

one way only



to insure your fleet

Take advantage of the wide range of competitive insurances from one of the world's largest insurance brokers.

Stewart Wrightson

Kingston Bridge House Church Grove Kingston-upon-Thames Surrey KT1 4AG Tel: 01-977 8888

Growth of leasing

THE U.K. LEASING industry, in which vehicles play an important part as one of the more active sectors, has long suffered from a lack of reliable information about its activities, a shortcoming which the Department of Industry may, it is hoped, put right in future. The Department said recently that its quarterly survey of industrial capital expenditure has not fully covered the growth in assets from leasing, hiring or renting out. The survey was therefore extended from the first quarter of 1975 to get more detailed information from leasing subsidiaries of banks, finance houses and specialist leasing companies.

Although the knowledge gained from such a limited period is obviously minimal, the industry will certainly benefit in the longer term as statistics are built up. Nevertheless, figures for the year show that capital expenditure in 1975 on assets for leasing, hiring or renting out reached £475m.—or £449m. less disposals.

Expenditure on vehicles for leasing to public authorities reached £7m., spending on vehicles for manufacturing industry amounted to £20m. (less £4m. in disposals) and that on other industries was £58m. (less £3m. in disposals). Expenditure on all other leasing, hiring or renting out was £30m. (less £6m. in disposals) and the total for all categories £115m. (less £13m.). This figure was roughly one third of the spending on plant and machinery.

Only about half of the total investment of some £500m. had been covered by previous Department of Industry surveys and so the new approach produced a fairly large addition to the estimates of investment by the distributive and service industries, according to official sources. The Department believes that the evidence now available indicates that leasing business increased from a fairly narrow base in the late 1960s to a rapid rate until 1973, and has since tended to grow more slowly. Taking inflation into account, this indicates some levelling off, in real terms, since 1973.

clearly outlined recently by Mr. Norman Donkin, managing director of Schroder Leasing, who said that the ideal situation for both parties was when the equipment concerned was capable of earning profits substantially in excess of the leasing rentals which would have to be paid to obtain its use.

Generally it would be the lessee's benefit to lease equipment which was subject to relatively rapid depreciation, so cash resources could be employed either as additional working capital or to purchase assets, such as land and buildings, which were more likely in the long term to appreciate in value.

From the leasing company's point of view, the argument ran the other way. Then equipment with a slower rate of depreciation was clearly attractive because of the higher residual value which would arise if it had to be repossessed and sold. On the subject of interest rates, he said that some very low rental rates had been available recently if companies took the trouble to shop around and some of these were at fixed rates, although he felt the average lessee would be more interested, at the present level of interest costs, in variable rentals which would reduce if and when the cost of money came down. The time for lessees to go for fixed rentals would surely be when interest costs came back again to 8 or 9 per cent., although it was hoped that in such circumstances the whole of the leasing industry would be offering only interest variable rentals.

Under the broad spread of interest rates available, there is generally not much to choose between one company's terms and those of another, but many have specialised in certain types of vehicle or can offer specialised services when necessary. This is a process which has gained momentum as the industry has become more mature. The most notable and in some ways worrying occurrence in recent months has been the number of large leasing companies buying up their smaller competitors; this has allowed the buyers to make better use of their expertise and organisational capacity. But on the other hand it may deprive the hirer of the kind of flexibility he can often get from a small operator, perhaps conveniently situated, with the minimum of administrative fuss. There is also evidence of more and more of

AUTO CONTRACTS

Auto Contracts Ltd vehicle leasing schemes will save valuable capital, will save money on transport costs, will save executive time, will save paperwork and will save worry from unknown maintenance and repair costs.

Auto Contracts Ltd enthusiastic and well qualified team guarantee a consistently reliable service that can take care of literally everything.

Auto Contracts Ltd can tailor a lease to your precise requirements for any make of vehicle.

Auto Contracts also manage customers' vehicle fleets for them with their unique Managed Vehicle Fleet Service — ask for details.

See for yourself the advantages of leasing from Auto Contracts Ltd write or telephone for full details.

Auto Contracts Limited
Head Office: 193/4, Broad Street, Birmingham B15 1AY
Tel: 021-643 0635 Telex 339188
London Office: 23/31 Lancaster Road, Enfield, Middlesex
Tel: 01-263 6333

TOTAL TRANSPORT SOLUTIONS FOR INDUSTRY

The MAT team gets things moving — for you

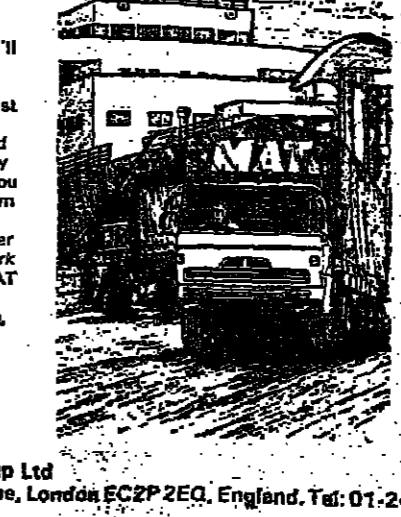
Get MAT to look after your freight: you'll get the know-how and technical expertise of a very experienced international organisation. You can trust us to look after you properly.

MAT operates a range of specialised transport services, each one backed by the facilities of the entire MAT Group. You can have absolute confidence in a system like this.

Whatever you're freighting, wherever you're sending it, you get the know-how that only an international group like MAT can offer — with its own operating companies in Britain, Belgium, France, Germany, Holland, Ireland and Italy. And that's the best there is.

For information, advice, service or quotation, please contact:

MAT Transport International Group Ltd
Arnold House, 36/41 Holywell Lane, London EC2P 2EQ, England. Tel: 01-247 6600. Telex: 863222



PRINCIPAL INTERNATIONAL OPERATIONS
Regular services, full load and full load services throughout the UK and Europe
To and from all continents outside Europe, especially North and South Africa, USA and Far East
Middle East, Greece and full-load services by road, rail and sea
International airfreight transport and cold storage
International haulage of motor vehicles

MAT International

GODFREY DAVIS HAVE CONTRACT HIRE TAPED

Most of the services you are likely to need you get automatically with Godfrey Davis Contract Hire. These services can be added to or adapted to suit your individual needs.

We will advise the types of vehicles best suited to you, and related to the period of hire and mileage. We will tailor, on your instructions, a contract as you would want it.

We will purchase your present vehicles and re-hire them to you according to their present age and mileage.

Find out more about our tailored Contract Hire services by telephoning:

01-723 6592 for cars
01-965 6659 for trucks

Godfrey Davis
Contract Hire

Handwritten signature or initials.

VEHICLE FLEET MANAGEMENT V

Economic threat to development

THE INESTIMABLE benefits may yet emerge from the Government's decision to bring out a "consultation document" on transport policy last year...

The modernisation of Britain's road system which began slowly to get under way in the late 1950s, the attempt to extend this programme into the late 1960s, the tendency of many road planners to go for the cheapest traffic engineering solution...

It made other sensible points, too. It made quite clear that the competitive overlap between road and rail was becoming ever smaller in today's increasingly specialised and wholly market-orientated pattern of freight movement.

Overlap It made other sensible points, too. It made quite clear that the competitive overlap between road and rail was becoming ever smaller in today's increasingly specialised and wholly market-orientated pattern of freight movement.

Naturally, transport cannot measure of administrative restraint, even on freight movement. But the cost of restraint has to be borne by the shipper and the foreign customer. And certain environmental or safety objectives can more effectively be pursued in other more direct ways such as by raising the standards for vehicle noise and smoke emission, tightening up on access to "O" licences and on the enforcement of the "O" licence requirements, and by direct regulation of particular nuisances, such as dangerous or abnormally large loads.

Producers watch and wait

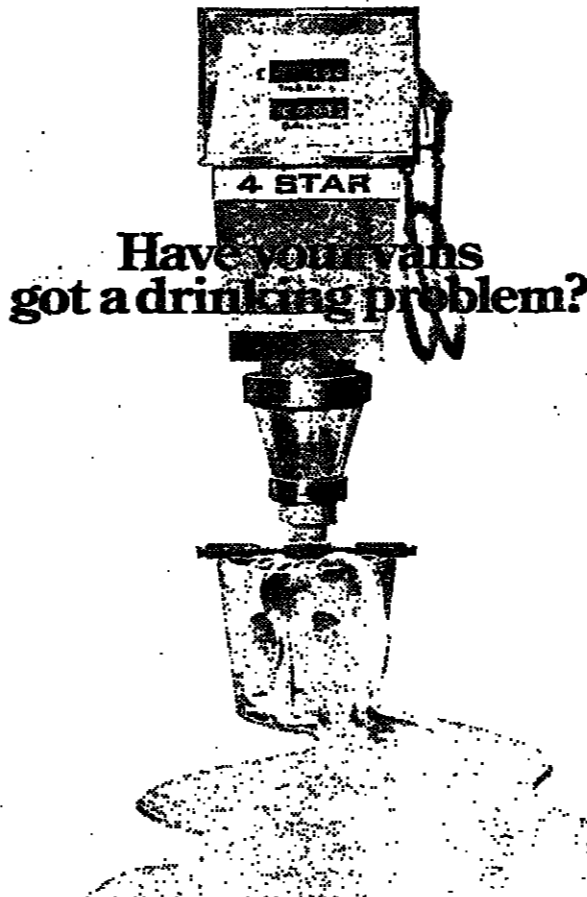
THE BATTLE in Brussels continues over raising the weight of the European maximum from 32 tonnes to 40 tonnes, so the builders of these future giants are already gearing up to supply the tractors and trailers.

One of the main features of the truck market in 1977 is sure to be the continuing rise in prices. Not only does this make life more difficult for the transport manager but it also leads to some very close-chested card playing by the manufacturers.

It made other sensible points, too. It made quite clear that the competitive overlap between road and rail was becoming ever smaller in today's increasingly specialised and wholly market-orientated pattern of freight movement.

Restricted After all, what the actions or proposals for action which have emanated from both central and local government in recent years boil down to is a desire, namely, therefore, that both Whitehall and county halls have curbing demand. This is the current picking order of intention, and effect, of lorry routing, access bans, parking controls—including controls on user-owned off-street parks—new transport investment. Up to a point there is a case for a Colin Jones

If your running costs are reaching dizzy heights, call in a team of Sherpas.



Have your vans got a drinking problem?

But whichever Sherpa you choose, its unique combination of carrying capacity and fuel economy will ensure that it will more than pull its weight in your transport fleet.

Does your engine suffer from shyness?

There are countless vans around the market whose engines are tilted at the most extraordinary angles, and hidden away in the most extraordinary places—like beneath the driver.

It doesn't need a major intellectual effort to realise that this makes routine servicing unnecessarily time-consuming and costly.

This is one of the reasons why the Sherpa's engine is mounted level, and in front of the driver.

A forward-mounted engine makes the cab larger while keeping the floor flat. This gives the driver more comfort, and easier access.

And as the engine provides a solid buffer if the worst comes to the worst, it's much, much safer.

There are two thrifty petrol engines to choose from (1622 and 1798 c.c.), and one miserly diesel (1798 c.c.).

All three give good performance and a surprisingly high optimum cruising speed. So your deliveries are fast as well as economical.

And that is definitely not something to be shy about.

Do your vans come with the protection of Supercover?

Do your vans come with a year's free no-mileage limit warranty, including free parts and labour?

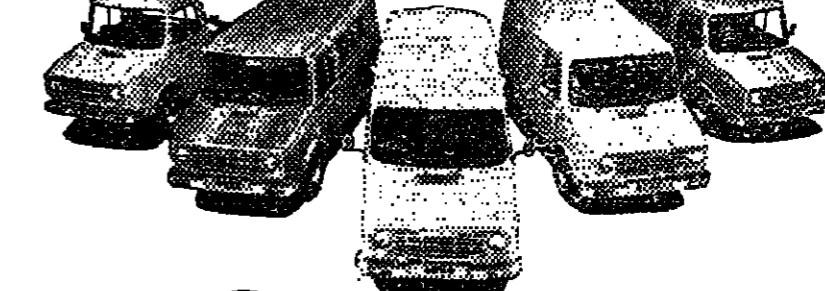
Or a year's free 24-hour roadside assistance from the A.A.?

Or a year's free A.A. Relay recovery service (U.K. mainland only)?

Or a free 69-point pre-sale checkout? Every Sherpa does. Because every Sherpa comes with Supercover—no other van manufacturer offers more.

So call or write to Light Commercial Vehicle Sales at Leyland Cars, Grosvenor House, Redditch, Worcestershire.

And find out more about the vans that move more, further, for less.



Sherpa From Leyland Cars. With Supercover.

It moves more, further, for less.

You won't need to be told that fuel costs for van users are no minor consideration. What you may not know, however, is that there is an answer to this problem.

The answer? The Sherpa from Leyland Cars. Sherpas, both petrol and diesel versions, are incredibly economical.

When "Truck" magazine tested the petrol-engined Sherpa 240, they averaged 28 mpg. Try as they might, they could not get this figure below 20 mpg.

"Startling" said "Truck". Even more so when you consider that the 240 is the largest Sherpa in the range. Obviously, the smaller Sherpas are even less thirsty.

Are your vans pulling their weight?

Of course, the Sherpa's economy would be meaningless if it didn't have a payload of 190 cu. ft.

And as efficiency is just as important as economy, the Sherpa has been designed to be as easy to load as possible.

The straighter sides and boxed-in wheel arches allow every inch of the loadspace to be utilized.

And with the optional side loading door, the load is easily accessible from three sides.

Obviously, Sherpas are not just available as first-class panel vans. There are Sherpa pick-ups, crew buses, minibuses and chassis-cabs too. Not to mention countless other Leyland Cars approved body conversions.

Leyland Cars also realise that choosing the right size of vehicle for your needs is every bit as important as selecting the right body style.

Which is why the Sherpas come in three payload ranges. The 185's can take up to 14 cwt., the 215's up to 19 cwt., and the 240's up to 23 cwt.

There are still too many variables to come up with concrete plans for the future and the big lorry issue is once again held up on environmental grounds. The main points of discussion have been over the eventual gross maximum weight and the number of axles required to carry that weight.

The Italians have become frustrated by the protracted wrangling that they have unilaterally increased their axle weights and given the go-ahead for an upper limit of 40 tonnes. While Fiat trucks have yet to establish themselves as a major force in the U.K. other Europeans have enjoyed considerable success. Volvo takes over 20 per cent of the 28-tonne plus market in the U.K. with Scania, Daimler and Mercedes all well established.

Ten years ago, when the importers first began to woo the truck fleet managers they were able to offer standards of comfort, noise and design far ahead of the home-grown products, which were noisy, smelly, uncomfortable and laborious.

Now then the major U.K. players have all improved their product range with Leyland, Ford and Bedford all claiming to have a new range to replace the long-standing TK in the pipeline but it may be up to a year before it is introduced. Ford is less pressed but they are sure to be looking forward to a new series. Ford has recently introduced a very heavy lorry to compete in Europe but there is some doubt as to its suitability for the U.K. market.

All the manufacturers will be ready to introduce modified models in the event of the 40-tonne limit being ratified and all support the move. The likely increase in the tractor weight is about one tonne, with only a little extra being added to the trailer. This should leave over six tonnes of extra payload.

Trailers themselves continue to be split into 90 per cent boring and 10 per cent remarkably ingenious and interesting. Companies like Cranc Freuhauf seem capable of producing an unending stream of specialised trailers to suit every kind of commodity in every kind of condition.

The average size of fleets in the U.K. is five vehicles and for trucks over 14.5 tonnes six, so just for the long-distance hauler. While these are the some giant operators the need for specialisation continues and the need to temper progress with caution is a strong feature also used in this country of a conservative market which drivers more room and still makes reliability its first demand.

British manufacturers have, in general, responded well to the challenge from Europe, though Leyland has struggled for some time to thin out the overlapping choices in its ranges. The next year is likely to be one of watching and waiting. The test around the corner is Britain's ability to win when the flag drops for the start of Europe's new big lorry grand prix.

Government and union movements on maximum wage rises have reduced the shop yards bargaining power in a terms there has been a reversion to demand extra cab components instead.

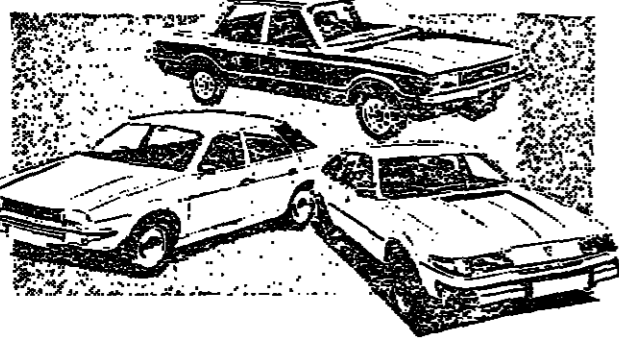
On the technical side there is a widespread introduction of automatic gearboxes. These have been waiting in the wings some time but requirements of interest have always been followed by neglect as the

Stuart Alexander

one way only to insure your fleet Stewart Wrightson CONTRACT

VEHICLE FLEET MANAGEMENT VI

Mann Egerton Contract Hire and Leasing



Mann Egerton Vehicle Contracts Ltd. are leaders in the field of CONTRACT HIRE AND LEASING with or without maintenance and with contracts tailored to your own requirements.

With almost 3,000 vehicles on the road every day and the backing of a national retail group the benefits available from substantial discounts, advantageous tax allowances, used car selling expertise and a large fleet of relief vehicles are very considerable and can help you to remove some of your fleet operating costs and problems.

Consult us now by forwarding the coupon below, or telephone any of the branches listed.

Mann Egerton Vehicle Contracts Ltd

NORWICH (Head Office) 2 Rose Lane, Norwich NR1 1PP Telephone: 0693 570 401
LONDON (West End Office) 11-18 Piccadilly, Mayfair, London W1 Telephone: 01 492 570 01
SOUTH LONDON OFFICE Abchurch Lane, London E.C. 4 Telephone: 01 492 570 01
WORCESTER 2, St. John's, Worcester WR1 1AW Telephone: 0432 2411 570 000
CHELMSFORD 10, New London Road, Chelmsford, Essex Telephone: 0274 570 0245

Please send CONTRACT HIRE BROCHURE to
Name of Company
Nature of Business
Fleet Size
Address
Signature Status

Unrest on the union front

ONE OF THE first public actions of Mr. Jack Ashwell when he took up the post of national secretary of the Transport and General Workers' Union's commercial road transport group last spring was to splash across the front page of his union journal the message: "Ten battles to win!" Inside, alongside a promised programme of rallies and lobbying of Government, Mr. Jack Jones, the union's general secretary took up the theme that the lorry driver was an underestimated and poorly rewarded member of the community.

In a flight of eulogy which merits preservation, he declared the proud and independent lorry driver to be industry's ambassador and progress chaser. It was a job which required "an intelligence equal to that of a Cabinet Minister, the mechanical knowledge of a skilled engineer and the agility and quick-wittedness of a top-class bookie."

Tachographs

Although many in the road haulage industry believe that the union is exaggerating its members' fears about tachographs, industrial action on Merseyside and in the Midlands (where there is now an embargo against vehicles containing tachographs entering warehouses) came as evidence of rank and file discontent. The leadership continued to take a quiet line, discouraging industrial action, but demanding that the Government give a public assurance that it would resist the advent of the compulsory tachograph. This, in effect,

meant a reversal of the position and Road Haulage Association, supported by the TGWU. Mr. Transport Minister, had told the union that Britain would ultimately have to abide by EEC law and accept the directive.

Mr. William Rodgers, the new Transport Secretary, made his position clear in a little-published letter to Mr. Ashwell last month. He said, unequivocally, that "we would prefer not to see the tachograph in domestic use and are not planning to move in that direction."

There is certainly much to be said for an enthusiastic initiative towards settling the negotiating structure during a period when wage bargaining, because of TUC-Government policy, has simplified and taken much of the tension in the current round of bargaining is over the level of overnight subsistence. The State-owned National Freight Corporation has accepted a claim for £5.50 a night, which is £1 more than the settlement reached in a number of private companies.

The question of taxation of these allowances is another issue which in 1976 brought forth a show of combined union strength. The Inland Revenue proposed that, as a safeguard against drivers claiming the free allowance for nights when they were not actually away from home, they should be obliged to fill in a form declaring their eligibility for the allowance. A rash of one-day strikes and resolutions from branches convinced the union that they had been unwise to agree to the scheme, and the requirement for the form has been duly withdrawn.

Abolition

The Advisory Conciliation and Arbitration Service is expected to report to the Secretary of State for Employment shortly and will almost certainly recommend the abolition of the council. It is still unclear what kind of alternative will emerge. There is some support, from both unions and employers, for either a formal central, or at least a series of regional joint industrial councils. Others on the union side feel that local, company-by-company bargaining is an adequate and tried system which has, in effect, operated without any reference to the difficult during a regime of wages council.

Ian Hargreaves

HOW CAN ONE OF THE COUNTRY'S BIGGEST BUYERS OF TRAILERS TELL YOU NOT TO BUY TRAILERS?

HERE'S HOW

At TIP, trailers are our lives. As well as our livelihood.



Believe it or not, we love them. And to prove it, we buy more of them than just about anyone else on earth. Most are virtually custom-built to our own specification. All meet our ultra-tough requirements. This means we know more about the business of buying and running trailers than just about anyone else around.



HAD A WORD FOR IT... THE ROMANS CALLED EMPLOYERS IN PLAIN ENGLISH - LET THE BUYER BEWARE!

And we know that it's not an easy business. Any fool can't do it. Trailers are only an asset to you when they're earning their keep. They're a dead loss all the time they're idle.

At TIP, we should know that better than anyone.

The advantages of renting the trailers you need, for the time that you need them, are certainly significant.

You keep your capital intact. You keep your credit lines open. You can predict precisely what your costs are. You're faster on your feet.

You enjoy all the benefits of ownership. Without the burdens of it.

Dial Watford 48311 today for details of the kind of deals that only we can offer.

Transport International Pool, Star House, 69/71 Clarendon Road, Watford, Herts WD1 1DQ.

Tel: Watford 48311. Telex: 897 326.



Company car taxation

AFTER MUCH argument and some concessions by the Government, the provisions of the Finance Act on company cars are to be introduced in April this year and its impact on the motor industry and companies remains to some extent an unknown quantity. Estimates about the number of cars bought for company fleets vary considerably, but according to a survey carried out by the British Institute of Management more than one-third of all cars registered in Britain in the last 12 months to February were on the books of companies. Companies, it is believed, bought half the cars coming out of British factories.

Not surprisingly, the survey found evidence that cars are being provided for managers as a way round the pay limitations enforced by the Government. The concern of the British motor industry, expressed volubly when the new taxation plans were announced, is underlined by the fact that most of the 446 companies questioned in the survey stipulated or aimed at buying British cars.

In no other country are company cars such an important fringe benefit or major item of corporate expenditure, the report says. "Every aspect then of operation of business cars is of tremendous importance to British companies."

Further, it was clear that companies were aware that they must maintain competitive and equitable car policies in order to retain and attract the right calibre of employee and avoid the problems which arise in this emotive area.

It is against this already uneasy background that the new tax measures come into force. The new rules apply basically to directors and those in "higher paid employment," those with "emoluments" of £5,000 a year or more. In this respect emoluments refers to earnings plus benefits which are taxable under the Finance Act 1978 and any other Finance Act and disregarding deductible expenses.

This means that employees on a salary below £5,000 a year may be regarded as being in higher paid employment.

In April, former tax arrangements on cars will be replaced by a flat rate disallowance which will vary with the cylinder capacity and age of the car. The disallowance will be reduced to the extent of any payment made by an employee to the employer for the private use of the car and if in the rare case the payments exceed the disallowance the result is that there is nil benefit.

The outcry which followed the original tax plans was, however, repeated in July when the Government's redrafted proposals were announced. According to tax experts, these meant that many employees would pay more rather than less for the private use of these cars.

Those thought to be hardest hit would be the drivers of small and medium sized cars up to 3000 cc and costing less than £6,000, while drivers of more expensive vehicles would face a substantially lower liability. The other surprise was the measures would come fully into effect in April. Under the original proposals there was to be a charge of one half of the scale for 1977-78 and the full rates would come into effect the following year.

The changes in the scales and amounts of the taxable benefits, announced in July, are as follows: (1) on cars costing up to £6,000 and having a cylinder capacity of 1800cc or less £175; more than 1800 cc but not more than 1800cc £225; more than 1800cc £350. (2) on cars costing up to £6,000 and not having a cylinder capacity less than 2000cc £175; 2000cc or more but less than 3000cc, £225; 3000cc or more £350. (3) on cars costing more than £6,000—over £6,000 but not more than £10,000—£500; Over £10,000—£800. Cars which are more than four years old will be assessed at two-thirds of the figures.

These scales will apply for 1977-78 and subsequent years, and there will not now be a charge of one-half of the scale figures for 1977-78 as was originally proposed, the Treasury said.

However, it added that when an employer certifies that in any tax year his employee has driven 25,000 miles or more on business travel in a car provided for his use, he will be taxed for that year on one-half of the appropriate amount in the scale.

Reaction from tax experts to these changes were that those who will be hardest hit are the drivers of small and medium capacity cars up to 3000cc and costing less than £6,000, while drivers of more expensive company cars will face a substantially lower tax liability. The effect of the changes is that the driver of a company car with a cylinder capacity of between 1800cc and 2000cc will have a nominal £350 added to his tax liability for the private "fringe benefit" use of the car.

Under the original proposals he would have been subject to a scale of £360 in a full year, but only half that in 1977-78. Although it may be difficult to make direct comparisons between the old and new rates because categories have been widened and simplified, there was a similar depreciating effect for all cars up to 3,000 cc. A car of 1,300 cc would have been liable for £140 in the first year and £285 in subsequent years under the original scheme, compared with £225 now.

For these purposes, the term "employer" covers organisations such as the civil service and local authorities and a director of a company is also within the provisions, whatever his or her rate of remuneration, unless a full-time working director of a company and, roughly speaking, not holding more than 5 per cent of the share capital of the company.

According to Accountants Weekly, the legislation as enacted is not clear as to whether the flat rate figures for benefits cover standing charges such as tax and insurance, and running expenses paid by the employer. However, it was understood that the Inland Revenue had confirmed that the flat rate figures were designed to cover both the annual value of the car and all expenses paid by the employer.

Agreement

To the extent that the employee makes a contribution to the employer as a condition of the car being available for private use, this would reduce the benefit.

So if there is an understanding that private petrol and a scale should be paid for, it should be the subject of a fringe benefit agreement. The reduced figure of benefits, plus the possibility of entering into this reimbursement agreement, make it likely that it will be more beneficial for an employee to receive financial assistance from his employer to purchase or lease a car himself and charge for business use.

The views of industry about the tax changes, which cannot have been significantly changed by Mr. Healey's modifications were perhaps best expressed in the Engineering Employers' Federation in its letter to his last year. The federation, which includes British Leyland and some of the country's biggest industrial companies, pointed out that executive and managerial staff had been exceptionally hard hit by inflation, by the existing tax structure and by the character of income policies. There was already significant loss of top management talent through emigration.

"The additional taxation burden which executive staff will have to bear, for example, the provision of cars and loans, will add further disincentive to the pursuit of careers in manufacturing industry," said. It was added that the more expensive range of the British motor industry will suffer very heavily (although this was clearly taken into account in changes in the original proposals). Nevertheless, it was pointed out that executives now provided by Jaguars, Rovers and the like would be able to face the national tax burden, considering that their incomes were being severely restrained by Government policy and taxation.

Lorna Ball

From a Mini upwards, a day onwards.

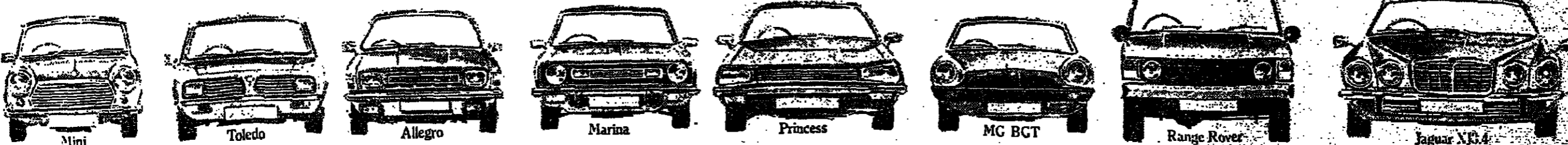
Kenning's, with a hire fleet of over 7,500 vehicles, are ready to handle your transport requests. We run models from the Mini up to the Jaguar XJ3.4 Automatic, for hire by the day, week, month,

year or even longer. We serve the fleet needs of large companies, the individual needs of the businessman and the private needs of the family.

And we do it throughout Britain and on the continent. For more details, contact Kenning now. And drive with the name you can trust.



Manor Offices, Old Road, Chesterfield, Derbyshire. Tel: 0245 77241



Handwritten signature or note at the bottom of the page.

VEHICLE FLEET MANAGEMENT VII

Fewer buses and higher fares

FOR BUS companies and their customers, 1977 is certain to prove yet another difficult year. For the companies, there is the prospect of still further cutbacks in the amount of cash help they receive from outside, both from central government in the form of direct operating subsidies (the lion's share of which go to London Transport and operators in the other conurbations) and from local councils and their ratepayers.

For passengers, more fare rises are in the offing as revenue lost as a result of the reduction in public spending is found from the only other source open to the operators—their customers. And there will be further reductions in the number of route miles operated, with some services being curtailed or withdrawn altogether and others seeing a decline in the frequency of buses.

The number of passengers carried may not fall—as inflation continues to ravage the country it may well be that car owners, forced to economise, will turn again to the bus. Yet the normal fare stage service, moving inexorably from stop to stop along a fixed route, is no substitute for the private car with its innate flexibility. And, if two or more people are travelling together, it may not be much cheaper, if at all, either. So the long term trend of a movement away from public transport to private is unlikely to alter much unless something really drastic happens to petrol prices.

How strong that trend is is soon seen within official statistics which show that in the 10 years to 1974 the number of passenger kilometres accounted for by buses and coaches dropped by 11 per cent, from 65bn. to 54bn, while the total accounted for by private transport leapt by 84.3 per cent to 350bn.

In terms of the number of individual journeys made the fall was even greater, at 82.2 per cent, with fare stage services accounting for the largest part of the drop. The number of journeys made on them, 11.83bn. in 1964, was 35.1 per cent down ten years later at 7.68bn. Express services, also suffered, though not by as much, with a 24.7 per cent fall to 58m., while excursion and tour operations saw a 4 per cent reduction in the number of individual journeys made to 30m. By contrast, contract and private hire services experienced a 69.7 per cent rise with 543m. passenger journeys in 1974 against 320m. a decade before.

Decline

How much fare rises have been responsible for the decline in importance of the conventional bus is debatable: undoubtedly higher fares have reduced the number of passengers to some extent, but it seems certain that wider car ownership, and all the advantages a car bestows on its owner, has been the dominant factor. And, indeed, as a recent report from the Transport and Road Research Laboratory made clear, the level by which fare rise seems to have less connection than might be thought with the extent to which bus use falls.

Thus, the TRRL said, fares would have to go up by a great deal more than they have been going before the increases became counter productive in terms of creating revenue growth. And this was so even after the 25 to 30 per cent rises seen in 1976. Fares may have gone up by 10 per cent, or so above the level of general inflation, but the drop in use was only 3 per cent, giving a revenue increase of 7 per cent. More significantly, despite the rotably unprecedented extent of fare rises last year, passenger response was much the same as had been for the last 20 or 30 years.

Even in the past few years where high inflation has led to large fare rises there is no evidence that passenger response was as greater than before," says the report. What had happened, as in the past, was that 95 per cent passenger loadings were more affected than peak-time loadings, and that shorter journeys suffered a sharper fall in long ones.

The TRRL findings, with their implications for future policy fares, were backed up by a survey carried out by the State-owned National Bus Company which operates the bulk of England and Wales' bus services outside the main conurbations. The company's survey impaired operations in March to May last year, a period in which its bus fares rose by an average of 11 per cent. In some areas, passenger loadings fell up to 6 per cent, between two months, presumably as a result of the higher charges. In others there were seasonally-inspired gains of up to 2 per cent, the company

reported. Overall, the two studies reached virtually the same conclusions.

One obvious result of these findings is to provide more ammunition for those advocating less outside support for buses and yet higher fares, an argument unlikely to find a great deal of resistance at a time of still more financial stringency on the part of the Government and local councils.

At the same time, the practical effect of massive fare rises will shortly be seen too in the annual report of the National Bus Company and the Scottish Transport Group, its north of the border equivalent. NBC, which, in contrast to other transport operators in this country and abroad, has traditionally raised 90 to 95 per cent of its revenue from passengers compared with around 80 per cent for London Transport and the Passenger Transport Executives in the other conurbations. 75 per cent for British Rail, and only 50 per cent for many other bus operators in Western Europe) notched up a £19m. loss in 1975.

In 1976, Mr. Freddie Wood, its chairman, has announced, not only will the company have moved away from losses but a small profit, perhaps of £3m., will be recorded. And that is despite an 8 to 10 per cent drop in passenger journeys—with a loss as high as 18 per cent in some areas—a figure which, Mr. Wood admitted, was higher than had been expected (and one which may throw some doubt on the Road Research Laboratory's rosy conclusions).

The Scottish Transport Group, as well, has said that it is expecting to eliminate its 1975 deficit of £1.8m., though it has given no precise figures.

Efficiencies

These results are practical measures of what it is possible for operators to do in terms of improving their finances through pushing fares up, even though, as Mr. Wood pointed out, increased support from local authorities for loss-making services also contributed to the turnaround, and some credit, too, must be given to the greater efficiencies achieved within NBC. Basically, however, the higher fares policy has been paying off, and passengers in areas served by conventional buses will continue to suffer from it.

They will continue to suffer in other ways, too, as a National Consumer Council survey has shown. According to that, one in three bus users faced serious problems, though they seldom bothered to make formal complaints. Irregularity and infrequency of services was the biggest single source of complaint, and there were grumbles, too, about rude staff, crowded services, and not being given sufficient time to board vehicles.

More fundamentally, there is still a lack of co-ordination of public transport generally, with bus and rail services not dovetailing into each other as much as they clearly should, inadequate or non-existent interchange points between the two forms of public transport, and even situations where subsidiary companies of NBC in adjacent or overlapping areas appear to be working in unhealthy, rather than healthy, competition with each other, the one jealously guarding its territory from the other, to the disadvantage of passengers.

And, on a more petty but nonetheless important scale as far as passengers are concerned, there are still too many difficulties involved in using the bus. The fare stage vehicle is inflexible, a fundamental disadvantage, but that does not mean it has to be so difficult to catch as it now so often is. There are honourable exceptions, of course, but it is still common to find bus stops, even in the centre of busy towns, with no indications on them of which buses use them, or even more important, where the buses which do not use them do stop.

Likewise, the amount of information on bus destination blinds themselves has gradually been reduced to the point where many carry nothing more than the service number. One might almost just as well put up a notice saying "Regulars only: no new passengers wanted" and be done with it.

These are the sort of factors that have been driving, and will continue to drive, passengers away. But there are various gleams of hope on the horizon. Dial-a-ride services—small buses which follow fixed routes in the sense of having a clear starting point and end but which are flexible enough to deviate along the way from the one to the other in response to a prospective passenger's phone call asking that he be picked up at or near his home or wherever—are increasingly

being tried with a considerable degree of success.

Then there is the village bus service, introduced by National Bus' Eastern Counties Omnibus subsidiary in conjunction with Norfolk County Council, to bring bus services to a group of villages in the north of the county previously without any public transport. What has been established is, in effect, a bus co-operative, with a vehicle supplied by Eastern Counties but driven by volunteer drivers trained by the company and at the disposal of villagers making their views known through special village bus committees. That, particularly significantly, had paid for itself within its first three months of operation.

It is Eastern Counties, too, which in north Cambridgeshire and Huntingdonshire has revived the Victorian concept of the village carrier with the so-called Midi-bus which, when requested to do so, will, for example, pick up a customer's shopping order for her and deliver it to her home, operates a dial-a-bus service, and also ties in with local rail services.

North of the border, Scots rural bus services are being supplemented in a different way by the Post Office which serves some 2,500 route miles with post buses which operate 100 different services.

These passenger operations started as an experiment following the success of a Scottish Postal Board scheme to carry goods as well as the post on its vehicles. The goods service is now netting a profit of around £150,000 a year while each post-bus itself is making a profit of around £600 a year.

Back on conventional bus services, considerable improvements have been made to some facets of the operation, in some places, in recent years. Not often obvious to passengers, but of considerable importance, is the increasing use of radio links between drivers and a central operating point so that delays or other problems along the route can be monitored and a degree of flexibility introduced to counter them.

Then there is the increasing use being made of bus lanes in the larger towns and cities, giving buses priority, generally at peak periods, on certain stretches of roads in order to speed up services. This process has been carried to its conclusion in the new town of Runcorn where special buses-only busways have been provided as a key part of the communications system linked with a deliberate policy of making life more difficult for the car user.

Other bids to ease things for the urban bus user include the superb service in Stevenage, another new town, offering a very frequent one-man operated service to key points of the town on a flat fare basis. Fares are pitched very low, necessitating heavy subsidies, but the two routes involved now carry nearly three times as many passengers as the conventional services they replaced, and car commuting to the town's factory areas has dropped significantly in a period of rising car ownership, thus ensuring savings in other ways to compensate for the subsidy.

The use of minibuses in towns and cities, often in conjunction with dial-a-ride, to bring public transport to areas which, because of congestion or narrow residential streets, conventional vehicles would have difficulty in reaching is another example of the way urban services in some places are being improved.

Unlimited

More mundane, but nonetheless important in terms of making the service more attractive, are things like central London's bus passes, giving unlimited bus travel for a week, or West Yorkshire's Metrocard (which is much the same thing) and its expanded version which allows unlimited bus and rail travel within one or more different zones in the region. The success of these improvement policies in terms of bringing passengers back to public transport has been very considerable. In the West Midlands PTE area, for example, a coherent policy of integrating rail and bus services and making both more attractive and easier to use has brought a 15 per cent increase in bus loadings since 1973, bringing the average up to 61 per cent. In the Solihull area, the number of bus-rail journeys went up by 70 per cent in a nine-month period up to last summer.

In the wake of the Government's consultative document on transport published early last year, a considerable behind the scenes, (too) debate on transport policy has been in progress. The Government's paper saw the bus as having a major role in the future provision of trans-

port, while the bus advantages in terms of energy conservation were spelt out only a few months later, in August, in a Department of Energy discussion paper.

That showed that, on inter-city services, an express coach used only 0.4 megajoules per passenger kilometre against the 0.9 mj of the diesel loco-hauled train and the 1.0 mj of the electric loco-hauled train.

On commuter journeys, the 70-seater double decker bus consumed 0.8 mj per passenger kilometre, the electric multiple unit train 1.1. And in rural conditions, the 45-seater bus used 1.4 mj per passenger kilometre and the diesel multiple unit train 1.6.

Clearly, energy saving is not the only measure of efficiency, but for now and the foreseeable future it counts for a very great deal indeed. And this is a key reason why the innovations—entrenched union opposition to changes in some cases notwithstanding—must continue, a closer integration of all forms of transport be achieved, and the difficulties involved in getting official consent for new services and forms of service, especially by new operators, reduced.

The Government's outline proposals, with their call for simplification of the bus industry and for more experimentation, recognise this, even if it appears doubtful if the scheme for aligning the boundaries of the 30 NBC subsidiaries with those of counties or groups of counties would bring much of an advantage. At the same time the alternative put forward in the discussion paper, the integration of NBC, the PTEs and municipal undertakings into one unified whole, would be expensive to bring about and could mean a great deal of disruption while postponing potential benefits for a long period during which standards of service might decline, driving away more passengers who would be unlikely to return.

David Walker

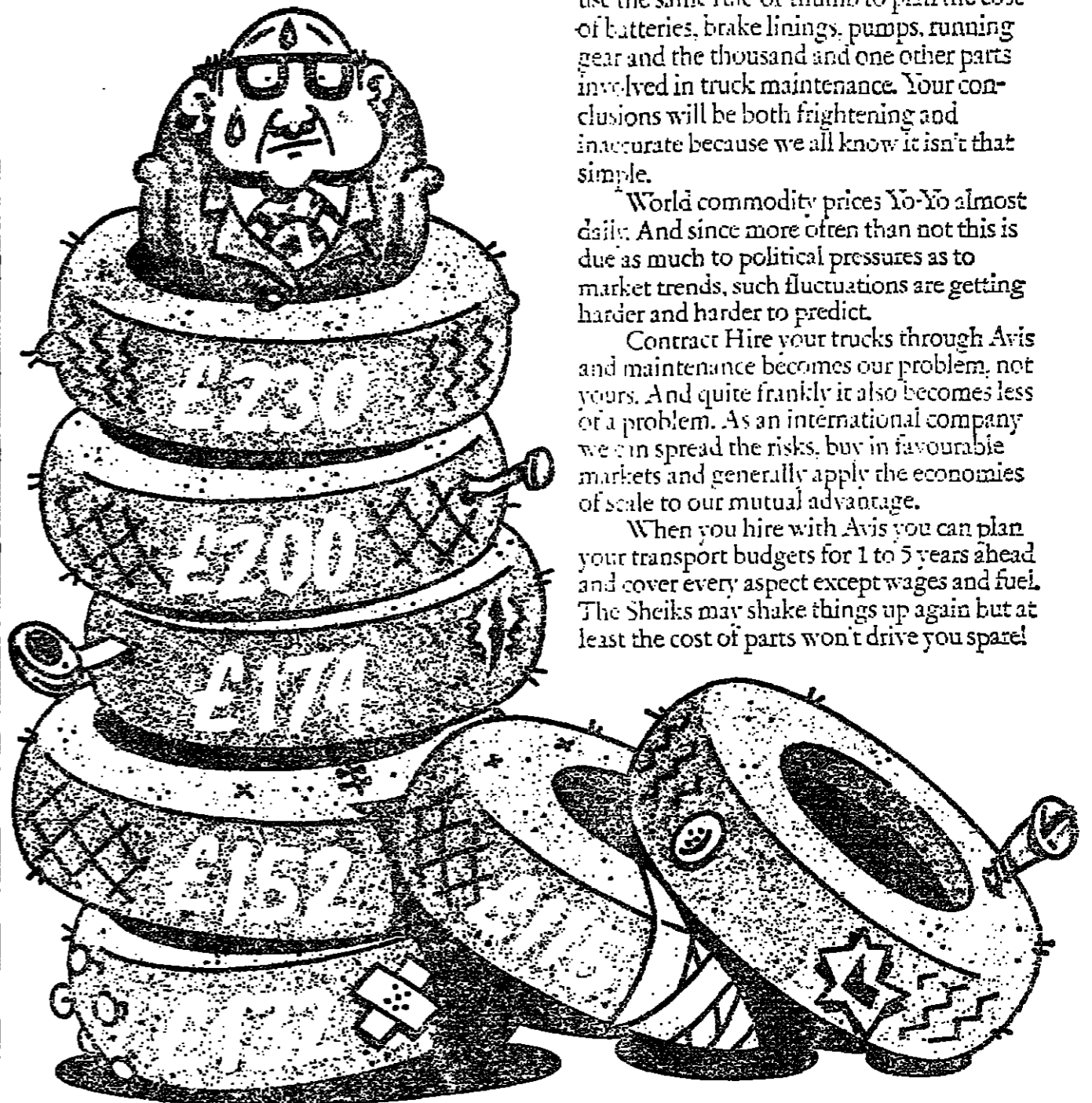
How can you budget for a blowout 5 years from now?

Based on current rates of inflation a £100 tractor tyre will cost £230 by 1982. You can use the same rule-of-thumb to plan the cost of batteries, brake linings, pumps, running gear and the thousand and one other parts involved in truck maintenance. Your conclusions will be both frightening and inaccurate because we all know it isn't that simple.

World commodity prices Yo-Yo almost daily. And since more often than not this is due as much to political pressures as to market trends, such fluctuations are getting harder and harder to predict.

Contract Hire your trucks through Avis and maintenance becomes our problem, not yours. And quite frankly it also becomes less of a problem. As an international company we can spread the risks, buy in favourable markets and generally apply the economies of scale to our mutual advantage.

When you hire with Avis you can plan your transport budgets for 1 to 5 years ahead and cover every aspect except wages and fuel. The Sheikhs may shake things up again but at least the cost of parts won't drive you spare!



Load your problem on to Avis

Call your local Avis Truck number, or write to The L.F. Contracts Manager, Avis Truck Rental, Eldon House, Station Rd., Hayes, Middlesex. Telephone: 01-878 8763.



How to clock 30mpg around the houses.

When you're driving around the houses, a little help when you're operating a fleet, you can save a lot of time and fuel at the petrol station.

Not to mention the Mercedes-Benz L200, 2000 cc engine.

For a start they're built to save you money and fuel when you're idling. And as a result, they're easy on your pocket.

Then, since they are built to save you money on maintenance costs, every van is backed with a 62,000 mile long guarantee. To guarantee you a long trouble-free life.

And people who still think they're not getting the best out of their van, they're quiet, smooth and beautifully responsive.

Good Service. Our high quality construction and design gives you maximum protection in the minimum time off the road.

However, should you need to replace a part, our dealers are well equipped to help you. And if the part you need isn't in stock, it soon will be. Every dealer has the backing of high-speed deliveries from our warehouse.

What you pay now, pays off later.

You can get all the quality of a Mercedes-Benz for much the same price as an ordinary van.

But when you add up all the extras that are standard on our vans—like a passenger seat, a deluxe trim, side loading door and a high glass factory finish—figure out our fuel consumption and work out how much your downtime has gone down, you'll see why we make long-term economic sense.

Vans in all shapes and sizes. Our front wheel drive transporters come in two great weights: 2.8 and 3.4 tons.

If you need more weight, our complete transporter range of 40 tons goes up to 64 tons.

Or if you'd rather have your own body built on, we'll supply the chassis, cab to match.

Which ever van you choose you'll find few to match its performance for clocking up the miles and the miles per gallon.

For your nearest dealer, simply fill out the coupon. He could be just around the corner.



Form with fields for Name, Company, Address, and a Mercedes-Benz logo with the slogan 'The way every truck should be built.'

VEHICLE FLEET MANAGEMENT VIII

Planning can cut costs

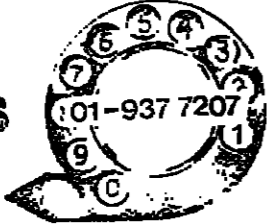
How to equip your Company with brand new vehicles

Without going to the bank

Buying cars and commercials is always a costly business. And selling them is no easier. But why go to all this bother when you can hire? You can pass all your transport problems to us—just by making a telephone call. We'll purchase your existing fleet and lease back to you or supply you with new transport. Any make, any model, any colour.

No more depreciation, paperwork, tax—we become your transport department. We can provide for relief vehicle after a period of 24 hours and service and maintenance too. And you know just how much your transport costs your Company every month.

DIAL CONTRACTS LIMITED



7-17 ANSDALL STREET, KENSINGTON SQUARE LONDON W8 5BN

Ring Mr. R. N. Smith at 01-937 7207 today for further information, or complete the form below.

If we require further information

Name, Position, Company, Address, Phone form fields

THERE HAS been no shortage of spurs to prick the transport director into searches for economies in recent years. The fuel crisis and the ensuing recession provided major jolts, although for the more efficient companies these were merely periods of heightened pressure in a continuous cycle of efficiency appraisal.

Any distribution planner with the will to survive has had to look for fuel and manpower savings in a period when the cost of both has soared way beyond the general bounds of overall company profitability. For a number of the larger companies, this search for efficiency has taken the form of a major project: an attempt to research and re-plan in detail. In others it has involved further honing in on already broadly satisfactory structures.

Courtauld's had special reasons for setting up its "transport experiment" in 1973: namely the need to rationalise the widely different transport practices inherited by the group in an earlier period of expansion and takeover. The group has 400 factories in 250 towns, with products as varied as tights and frozen chickens. About 25 per cent of its output is for export.

There were two tendencies in particular which had to be checked: an increasing reliance on outside carriers (Courtauld's has a commercial fleet of about 1,200 vehicles and aims for an approximate 50:50 split on own account outside hire) and a lack of co-operation even between geographically close parts of the group.

An operational research team was first given the task of identifying problems and possible solutions. With the use of computer, "ideal" arrangements were worked out and large quantities of data collected from numerous depots. This took almost a year.

Since that time the emphasis has been placed on encouraging initiative among local transport managers, through regular group meetings and distribution of a handbook on transport and distribution which is intended to revise annually. This concentrates on giving managers detailed information about new

Unwilling

Courtauld's is unwilling to make public the savings it has made already, but these have been very substantial indeed. One small project, for example, in which a loading pattern for bales of fibre was changed increased load capacity by 15 per cent from one depot, resulting in cost savings of £30,000 a year. There have been over 250 such projects. Dunlop says it has saved £300,000 a year by a simple reappraisal of its back-loading policy alone.

Looking at other measures of efficiency, apart from cash, Courtauld's improved the tons carried per vehicle working day from 9.6 to 11.4 between early 1975 and early 1976. At the same time the amount of downtime on vehicles dropped from 22 per cent to 14 per cent. More closely collated routes, faster turnarounds, more careful selection of vehicle types and capacities and improved handling has enabled the group to cut its basic transport plant, the vehicles, from 1,320 to 1,170 during the period of the experiment.

Although the pursuit of economy within the Courtauld's fleet will continue, the most sustained attention now is being directed towards the relationship with outside carriers, where costs have not been checked as effectively as on the own account side. In part, the group is now stressing to its managers that they must take advantage of the strength of corporate buying power and cut down the number of hauliers they deal with. All proposals for increased charges by carriers are now vetted centrally by the Courtauld's group purchasing department.

Although the Courtauld's operation has been a thorough

piece of modern operational research, it has avoided one obvious route to co-ordination: the establishment of a computer-based central data recording and processing unit to control the entire fleet. This is not well suited to a mixed account/carrier operation, but is also a matter of basic transport philosophy.

SPD Distribution, the transport arm of Unilever responsible for High Street deliveries, now has 30 per cent of its business outside its parent company and its remarkable period of expansion since changes in licensing laws in 1963 made it easier for own account operators to take on outside business, is due in no small measure to its business systems division computer centre at Watford. This enables customers to receive prompt analysis of stock and delivery costs and to keep all costs under close scrutiny.

In a relentless round of data analysis and work measurement, the company uses its "standard time" system to measure the cost of a distribution exercise as closely as a taximeter calculates a cab fare. When a work to be put out to independent contractors is received, a provisional costing is made until the job can be checked under work measurement and the real cost, in hours deployed, ascertained.

Mr. Bob Beckham, managing director of SPD Distribution, acknowledges that this does not make his the cheapest delivery service, but he believes there is none more efficient. The stan-

dard time system has other benefits too: in assessing strict fair driver loads and in giving the incentive to unload in the interests of the customer's quick turnaround. The company has now reduced its cost per vehicle to £740 per year in its fleet of 820 vehicles, all between 12 and 14 tons, apart from a handful of heavier lorries for trunking purposes. Eight years ago, with a smaller volume of traffic, it had 1,240 vehicles.

Another cost-saving programme which appears to have great potential is in lubricants, where improvements in quality have encouraged experiments in the elimination of oil filters and wider gaps between oil changes. There is even an attempt to run some vans through their entire life without changing oil.

Capacity

With fuel at 29 per cent of costs, the Post Office also understandably takes a close interest in any fuel-saving devices. It tested 20 last year, but found none useful in practice. The best fuel-saving device, Mr. Shann believes, is the fact that the Post Office trains its own drivers and encourages them to create lightly on the accelerator. Mr. Shann's fleet is still growing, although more slowly than two years ago, to fill in for the demise of the pedestrian rural postman, so there are no savings to be had there, but the 26,000-vehicle Post Office is constantly re-evaluating the ideal capacity of its vehicles.

At Plessey, Mr. Frank Woodward, the company's transport service executive, has taken a step which has become a trend to a number of operators who find that the recession has created spare capacity in their fleets. At Plessey, the response has been the establishment of a new subsidiary: SPE (vehicle services), which under Mr. Woodward's personal direction arranges the charter of Plessey vehicles to other companies. Mr. Woodward says the operation is already profitable, but he expects it to take three years before the value and freedom of the idea can be affirmed. Meanwhile he is working on a 28 per cent return on capital and has about £20,000 worth of business so far. This has involved 14 vehicles.

In addition to the utilisation of excess capacity, Mr. Woodward says that SPE has other advantages for Plessey in terms of avoidance of redundancy and the extra discipline for managers in dealing with customers outside the company. When the recession ends it does not anticipate that Plessey will want to drop SPE in order to release the vehicles for its own use. Instead, the traditional reliance on the outside carrier to deal with a peak in traffic will be continued—an attitude which may suit the own account man, but which could have serious implications for the carriers if the trend continues.

Ian Hargreaves

Licence proposals for transport managers

IN JUST under a year's time, they will have two years' grace in which to satisfy the RSA examiners and will be able to obtain an interim TML in the meantime. But everyone employed in a responsible post of licence holder, a new kind of licence.

This new licence will be additional to the "O" (or operator's) licence which road carriers operating this size of vehicle are already required to possess. Like the "O" licence, the new system will apply both to the owner-driver with one vehicle who is setting up his own business for the first time and to the large, long-established national group like TDG and the NPC. It will probably apply, too, to the local retailer running one or two tonners as well as to the large manufacturing company operating its own multi-vehicle road fleet. And if the haulier or own-account carrier is operating from several depots in different parts of the country, he will be required to take out a TML, if not for each operating centre, then at least one for each licensing area.

Once obtained, the TML will be valid for life. But a transport manager who is convicted of certain categories of offences or has contributed by his acts or omissions to a direction being made against his employer's "O" licence could be in jeopardy of having his TML revoked or suspended by the licensing authority (subject to an appeal to the Transport Tribunal) or even of being told to go and sit, or re-sit, the RSA exam all over again. In other words, offences against, say, the vehicle maintenance or loading regulations after next January could lead to forfeiture of both a TML licence and an "O" licence. Even if only one is lost, the continued operation of a fleet or operating centre could become impossible.

This "belt and braces" approach to the maintenance of adequate standards of operation by road carriers originated in the European Commission in Brussels. It forms part of the attempt to break down the tradition of capacity controls on road haulage operations—a tradition which is particularly strong in France and West Germany—and to establish in its place a much more liberal and competitive regulatory framework throughout the Community not only in road haulage but for the freight transport market as a whole. Provided freight carriers—of any mode—bear their proper share of the costs of the infrastructure they use and provided they demonstrate and continue to observe certain minimum qualitative standards of operation, the Commission says that they should be free to compete, at first for cross-frontier traffic and eventually for all traffic irrespective of origin or destination.

In other words, the Commission is aiming to develop throughout the Community a regulatory framework akin to the one which has long applied in the Netherlands and, since the introduction of the present "O" licence system in place of the old system of "A," "B" and "C" licences by the 1968 Transport Act, is similar to the framework which applies in the country. As Britain's road carriers operate the largest EEC vehicle fleet, the potential attractions of the Commission's policy should not be forgotten.

But Whitehall cannot escape its share of the responsibility for the introduction of transport managers' licences in the form now envisaged. It was until November 12, 1974, nearly two years after Britain became an EEC member, that the TML directive was adopted. An EEC directive, moreover, is not the same as an EEC regulation. A regulation has immediate validity throughout the Community, whereas a directive merely identifies the Community's broad objectives. In the case of a directive, the individual member countries are left to decide for themselves how best to implement those objectives. This immediately posed a problem for this country. For, alone among the nine, the British regulatory system since 1968 has made no distinction between public haulage and own account operation. Industrial companies operating their own vehicle fleets have been free, if they so choose, to compete with professional carriers for third-party hauls. Relatively few have in fact done so. But the Government decided quite rightly not to re-create a distinction between haulage and own account. The

Applicants

To obtain a TML, applicants will be required to demonstrate that they are of good repute, of appropriate financial standing, and are professionally competent. Repute will be established rather in the manner of the present "O" licence system on the basis of past activities in vehicle operation and in the light of any previous convictions for road traffic offences. Financial standing will also be judged as under the "O" licence system, except that the present discretion under the "O" licence system for licensing authorities to assess financial standing will in future become a mandatory requirement. But the third criterion—professional competence—will involve success in a written examination which will be conducted twice a year by the Royal Society of Arts in consultation with a liaison committee representing employer organisations, unions, the Road Transport Industry Training Board, and the Department of Transport.

It should be made clear that existing "O" licence holders will not be expected to go back to school. They will receive the new transport manager's licence as of right without having to pass the RSA exam, provided they have held their "O" licence ever since December 31, 1974. These "grandfather rights" will also be available to those who have been responsible for the day-to-day running of a carrier business since the end of 1974 but who do not hold "O" licences. There will also be a concession for transport managers who became operators or nominated managers after the end of 1974 but before January 1, 1978, when the new system is due to come into

CROSS COUNTRY COVER.

CHRYSLER'S NEW LIFE OF LEASE

Check out these Chrysler Leasing System advantages:

- 1 Unbeatable knowledge of the leasing field assuring you of expert advice and attention.
2 Flexible, highly competitive contracts taking account of your particular needs.
3 98 interchangeable outlet points keeping you covered throughout the country for vehicle ordering, availability, maintenance, replacement and substitution.
4 Our comprehensive network allowing orders to be routed through one outlet to become effective at any other.
5 The opportunity to change your leased vehicle regularly at intervals from 10 months upwards.



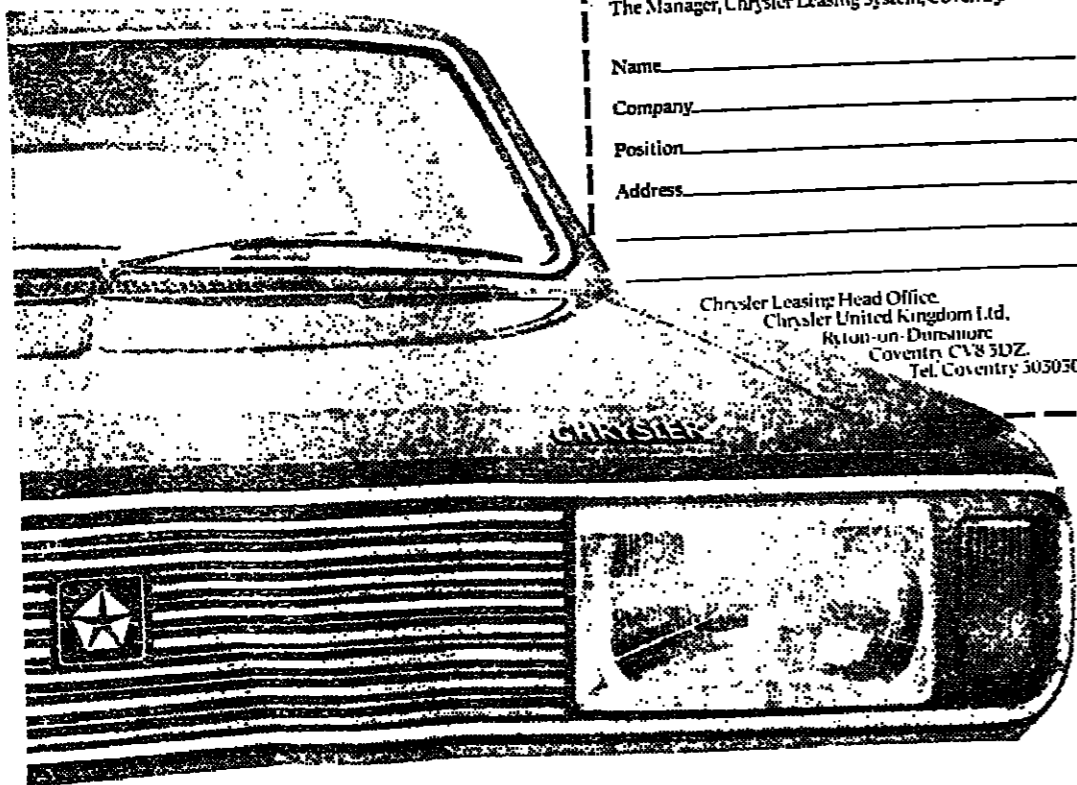
In today's economy, use rather than ownership, is what counts for profitability.

Turn loss into lease with the Chrysler Leasing System.

For further information and the address of your nearest Chrysler Leasing Dealer, write or telephone The Manager, Chrysler Leasing System, Coventry.

Name, Company, Position, Address form fields

Chrysler Leasing Head Office, Chrysler United Kingdom Ltd, Rydon-on-Dunsmore, Coventry CV8 3DZ, Tel. Coventry 303030



THE BRAID GROUP OF COMPANIES

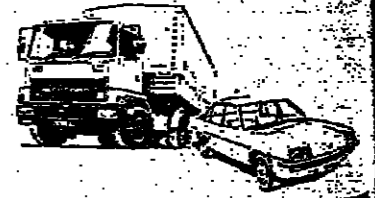
—THROUGHOUT THE NORTH WEST

A group of companies serving corporate and private motoring and transport customers. NEW CARS, VANS AND TRUCKS. We have a network of dealerships supplying new cars, vans and trucks, mostly Vauxhall/Bedford for sale, lease or hire.

PARTS, SERVICING, BODY BUILDING AND FINANCE.

A sophisticated computer controlled parts department looks after our stock of 10 million pieces. Body Building and Finance complete the all embracing package that Braid Group offers.

BRAID GROUP LTD. Head Office, Bedford House, 83 Boughton, Chester. Tel 24611



Handwritten signature or note at the bottom of the page

ECONOMIC VIEWPOINT

BY SAMUEL BRITAN

Turning away a great opportunity

THE STERLING Area agreements are ones we could have had a year ago, if not much longer, as anyone who has actually talked to the BIS at Basle could confirm. We were held up by the reluctance of the orthodox wing of the Treasury and Bank of England to see that the overhang of the sterling balances was destabilising the foreign exchange market. But we were equally held up by the unwillingness of the Keynesian wing of the Government to adopt firm monetary objectives and curb public spending. But without the monetary targets and the curbs—introduced reluctantly over several instalments—we would not have got Monday's Basle agreement.

The most important part of the agreement is not the \$3bn safety net against any future withdrawals of official balances. We have had such arrangements before and unfortunately allowed them to lapse. The main difference here is the more generous repayment period. The standby is for up to three years with a further four in which to repay, making seven in all.

The novel feature is the conversion offer to existing official holders into foreign currency denominated bonds, the rate of interest on which will presumably be linked to prevailing interest rates in the currency of denomination. This is a major improvement on 1968 when balance holders were able to enjoy an exchange rate guarantee together with a sterling rate of interest, which was a bad bargain for Britain.

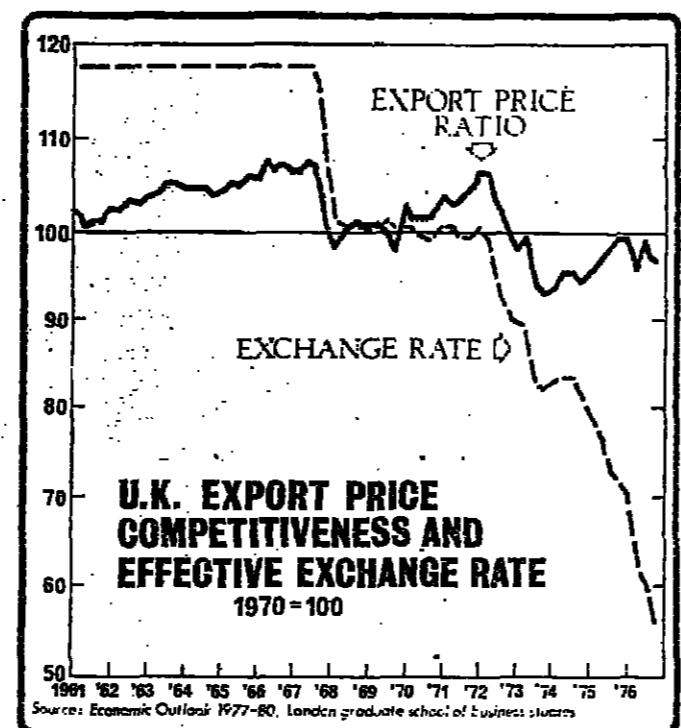
I WOULD be less sour and would be prepared to let bygones be bygones were it not for all the signs that the authorities are throwing away the opportunities provided by the

new arrangements and by the improvement in sentiment towards sterling as they did in a comparable period in the early 1970s.

If abandoning the reserve role of sterling means that we stop trying to rig interest rates and stop leaning on Governments to hold their reserves in London to bolster the sterling exchange rate artificially, then we should have abandoned it years ago. But if abandoning the reserve role means dissuading holders of public funds who wish to put some of their cash balances into London, voluntarily, then the whole thing is an absurdity, and it means in practice a quite unnecessary depression of British living standards.

What our critics are really saying is that if people in other countries want to lend us some of their savings, we are going, puritanically, to turn them away, and that we are only interested in an overseas balance achieved by physical exports (or by nationalised industry borrowing under Treasury guarantees). The point is a very practical one. The OPEC countries are still running a current surplus of around \$40bn, which means that they have a net savings surplus of that amount. We have moved from the 1974 extreme of raging markets to hog as much of this surplus as possible, to raging markets the other way round to say that we want no part of it.

As Alan Budd and Terry Burns remark in their extremely good new London Business School publication, *Economic Outlook*, "an upward movement in the exchange rate would provide a far more efficient and effective method of bringing



maintain a competitive advantage for exports. The DCE formula—which is in my view a long-term disaster—also ensures that any favourable movement of the balance of payments can be used to boost the money supply and hence domestic spending. Pay and price controls are meant to be the main weapon for controlling inflation during this externally generated expansion.

periods such as the middle 1960s when export profit margins are too low. But in a situation like that at the end of 1976, when sterling was well below its purchasing power parity, either domestic inflation must rise to close the gap, or the exchange rate must recover. Why must organisations such as the Treasury and the Bank of England put their weight behind the inflationary alternative?

To quote once again the London Business School authors: "The Government must have great faith in its own forecasting ability" if it is to change the ratio of manufacturing prices in favour of the U.K. I would probably give more weight than the London Business School to the case for exchange rate depreciation in

boost it gives to the real money supply; and prices and nominal interest rates would both be lower than otherwise. In a floating system without reserve changes the expansionary effect of a sterling appreciation is likely to offset any adverse effect on present high export profit margins (which I would add many industrialists don't believe in for the longer haul). These, it is not obvious that it could achieve the desired rate. And with dozens of computer print-outs in their own publication, the LBS writers are entitled to express scepticism on this score.

They are also worried about the period after 1977 (it may come earlier) when a strong balance of payments would be accompanied, on present policy, by an undervalued currency. An undervalued currency is a source of inflationary pressure (a) because with a given DCE target it will mean a faster growth of the money supply (b) because it keeps import prices higher than necessary and (c) because the discrepancy between export profit margins and home wages and prices will put upward pressure on the domestic cost structure. All these forces will be likely to undermine the incomes policy, with resulting political recrimination. "And the struggle will have been quite unnecessary, since a rising exchange rate would have been the best possible contribution to reduced inflation."

The approach through income policy and exchange rate management would not work without a miracle, "which is as undesirable as it is unlikely." Keeping the exchange rate down artificially in the face of a payments surplus will not boost real demand. On the contrary, a higher exchange rate expands domestic demand through the

control on the export of funds and controls on their inward movement.

A distinction will at this stage be made by some between "speculative" short term funds and long term investment. This is spurious. There is no hard and fast line between short and long term funds. Balances may first be put on short term deposit, then in long term securities and— as confidence is gained—into financing new investment. But even if no such transmission takes place, any overseas lending to this country makes available real resources to sustain an increase in British domestic investment, and by its effect on interest rates, creates an incentive for that investment to take place.

It is not the funds on deposit in London which are speculative, but the British pound which is—and that almost entirely due to British policies. In the January 1976 *International Currency Review*, Brendan Brown lists four measures of a currency softness:

- 1—The existence of a long and variable covered interest differential against it. The covered differential between sterling and Eurodollar deposits is plus 5 1/2 per cent in October and contracted to minus 1 1/2 per cent in November.
- 2—The real rate of interest on domestic deposits is negative, large and variable. Illustration is superfluous.
- 3—A heavy discount on the "free" market compared with the official exchange rate. This is an indicator to be used with care. Mr. Brown is too tactful to mention the high and variable dollar premium of over 40 per cent when we had both exchange

4—The volatility between the external and internal value of the currency, illustrated, for instance, by the large temporary discrepancy in 1976 between the inflow rate and the much faster fall in sterling.

All four of these weaknesses, which make it logical for overseas holders to change their attitudes rapidly and for traders to lead and lag, are due mainly to exchange control. It is the imprisonment of British funds within the U.K. which allows major differences between the rate of return on funds here and abroad to accumulate. Without exchange control, the covered differential could never have moved so far against the U.K. and the panic increases in MLR would have been avoided. Nor would it be possible for there to be a negative rate of interest in London much lower than in New York; and abrupt changes in domestic monetary policy would be neither necessary nor possible without an immediate effect on the exchange rate.

Instead of thinking of two rival fences on outward and inward movements of money, the best way to lay to rest any fears of an overvalued currency would be to relax exchange controls on outward movements. This is worth doing for its own sake. For once exchange controls were removed, the British policies which make the pound such a speculative holding would become almost impossible. It is for this very reason that Ministers and their advisers are so determined to preserve the controls.

Economic Outlook. Obtainable from Centre for Economic Forecasting, London Business School, Sussex Place, Regent's Park, London NW1 4SA. Price £2.50.

Letters to the Editor

Labour versus Labour

From Mr. W. Shepherd.

Sir,—I find this Andy Bevan case excruciatingly funny: here is a situation which would have provided Gilbert and Sullivan with a bar office snapper or a ripe scenario for an Aldwych farce.

The best aspect of the sorry scene, however, is that at long last the originators of the totally biased labour laws are at the receiving end, and finding out what hundreds of other employers have found before them, that the laws are without rhyme or reason. Take first Bevan's application to join the agents' union under the 1974 Trade Union and Labour Relations (sic) Act: he would have been protected from "exclusion or expulsion by way of arbitrary or unreasonable discrimination," but by the 1976 Amendment Act that arbitrary or unreasonable discrimination "simply" repeated so that unions may now do exactly as they like with their members.

The next point is that an employer is still forbidden to plead before a tribunal that "the union made me sack him," and such a plea cannot even be made. Like many other unfortunate employers before him the general secretary of the Labour Party has now got to make up his mind what to do: I can advise him! He can sack Bevan on the spot: he doesn't even have to give any notice.

Dare we hope that now the manipulators have got themselves on to the receiving end of biased legislation they may change their attitudes a trifle? Y. Shepherd, Asher Road, Sutton Green, Kent.

The hectare as a unit

From Mr. E. Humphreys.

Sir,—Development in farming is towards refinement in cultivation technique. Metrication aids this end but the hectare is simply a long march to the same as following and swallows the farmer also. The acre was already too large.

A new unit of area is required. It may be called the hecton. One hundred metres by ten metres it is one tenth of a hectare exactly and one quarter of an acre exactly to two points.

Adopted by government and in specifications of trade it will be adopted by the farmer. Edward J. Humphreys, 22 Brood Street, Hereford.

Accounting for inflation

From Mr. R. Haigh.

Sir,—For a number of years I have been troubled at the prospect of the introduction by the accountancy profession of some form of compulsory "accounting for inflation." Since this now seems imminent I would like to register my profound belief that it is a most undesirable development in the practice of accountancy and, of its very nature, doomed to failure.

I wonder if the council of the Institute of Chartered Accountants is aware that a small number of its members, namely sole practitioners and small to medium sized partnerships are already finding it progressively more difficult to produce accounts for a number of their clients which will simply state the scrupulous of the "true and fair view" which, presumably all accountants aim for. If, in addition, they are now to be burdened with "inflation" accountancy, they will find their task impossible. Some practitioners who tell them that, because they are required to carry out this extra, highly academic work, their fees will be raised by 20 per cent. The result will undoubtedly be loss of clients, less co-operation with the tax authorities and more resulting chaos in ordinary day to day accounting affairs.

One serious objection to "inflation accounting" is that it would be highly speculative. Businesses would presumably attempt to charge current and future costs plus profit in fixing selling prices, and if all followed this path all selling prices would rise and we should enter another inflationary spiral. Fortunately we shall always have enterprising businessmen who will be happy to make a profit over and above current and past costs and many of those who chose to base selling prices on "inflation accounts" would be forced out

Oil-for-oil barter

From Mr. A. Llewellyn.

Sir,—With oil barter currently so much in international news, while in the U.K. Iran seems to wish to swap crude oil for tanks through a new takeover of the Royal Naval College at Dartmouth, the simplicity of an oil-for-oil barter with our good friends the Saudis could so easily be overlooked.

Who else but the Saudis have decided to increase production just to restrain world inflation, while seeking to accumulate no greater currency balances and keep their oil in the ground as far as possible? Other than Italy, who other than the U.K. must decrease its import bill without injury to normal trading arrangements?

Unfortunately, in my letter of January 10, some lines were read: "During 1977-80 the Saudis to give the U.K. free title to that part of their increased production (of crude oil) which would make a total of 100m. tons annually available to the U.K.—probably not more than 140m. tons would be involved over that whole period." It went on to say that the U.K. would give a similar total quantity of North Sea oil title free to the Saudis over 1981-84.

I would not seek that you publish this correction had not so many from home and abroad called me asking what I really meant, often in less polite language used by friends.

Algernon Llewellyn, Flat 65, 22, Park Crescent, W.1.

To-day's Events

Representatives of mining colliery foremen decide whether to hold ballot for industrial action over their claim for early retirement.

Extradition proceedings against Mr. Jim Slater and Mr. Richard Taitz adjourned after to-day's hearing until Monday, January 17, Horseferry Road Court, S.W.1.

European Parliament, Luxembourg.

Civil Aviation Authority ends two-day discussions on European air fare levels, London.

Sir Rowland Wright, ICI chairman, is guest speaker at American Chamber of Commerce lunch, Savoy Hotel, W.C.2.

Mr. Edmund Dell, Trade Secretary, ends four-day talks in Iran.

PARLIAMENTARY BUSINESS

House of Commons; Scotland and Wales Bill, committee stage.

COMPANY RESULTS

J. B. Eastwood (half-year), English China Clays (full year), Hickson and Welch (Holdings) (full year), Kenning Motor Group (full year).

COMPANY MEETINGS

National and Commercial Bank, Edinburgh, 12.

Scottish Investment Trust, Edinburgh, 10.30.

J. and A. Scrimgeour, the Stock Exchange, E.C. 3-45.

EXHIBITIONS

Harrate International Toy Fair (last day), Model Engineering Exhibition, Wembley Conference Centre (closes January 13), London International Boat Show (closes January 16), Data Communications Equipment Exhibition, U.S. Trade Centre, Langham Place, W.1. (closes January 14).

OPERA

English National Opera production of *A Night in Venice*, Coliseum Theatre, W.C.2. 7.30 p.m.

D'Oyley Carte Company in *Yeoman of the Guard*, Sadler's Wells Theatre, E.C.1. 7.30 p.m.

BALLET

Royal Ballet: dance *The Nutcracker*, Covent Garden, W.C.2. 7.30 p.m.

MUSIC

Royal Philharmonic Orchestra in programme of works by Brahms, Royal Albert Hall, S.W.7. 7.30 p.m.

George Malcolm gives harpsichord recital of music by J. S. Bach, Couperin, Scarlatti, Haydn, and J. C. F. Bach, Queen Elizabeth Hall, S.E.1. 7.45 p.m.

Can a company that's in advanced technology really be in the market place?

Creating new business out of exciting new technology can be a long, hard road to follow. Getting the equation right between breaking new ground and making new profits is difficult, especially in uncertain economic times. Yet this is the job Ferranti have always tackled—with considerable success.

Take naval digital systems, for example. There's hardly a ship in the Royal Navy without Ferranti equipment aboard and navies of other nations are buying as well. Then there is the only British, high specification, high volume plastic transistor, a product which is competing successfully on price and performance in world markets. Ferranti computer control systems are being applied world-wide for communications, traffic control, steel making, oil and natural gas production and public service command and control. Even a product as advanced as a laser is in widespread practical use. Remember when the laser was a solution looking for a problem?

Marketing advanced technology is certainly a challenge but Ferranti make it their business.

FERRANTI

Selling technology

Ferranti Limited, Hollinwood, Lancashire OL9 7JS

LFSA

GROUP ANIES

RAIL GROUP

Thursday January 13 1977
AND COMM
nt £3m.
nce offer

McCorquodale hit by U.S. losses

After a sharp decline from £1.1m to 20p at half-way, recovery in daily lines after a profit of printers and stationery. The company has lost £3m, but the U.S. market is recovering, says the chairman, Mr. Alan McGee.

Progress at Brown & Tawse

STEEL AND tube stockholders and engineers, Brown and Tawse lifted pre-tax profits from £15,000 to £1.53m for the six months to September 30, 1976, on sales up from £13.1m to £27.5m.

1975-76 1976-76

Turnover	4,985	40,384
Trading profit	787	2,820
Interest payable	707	709
Share of associates	182	173
Taxation	770	1,540
Net profit	297	1,184
Dividends	100	100

Sales 1975-76 1976-76

1975-76	12,778	12,317
1976-76	12,778	12,317

Stock Conversion raises forecast to £3.5m.

THE FORECAST of pre-tax revenue by Stock Conversion and Investment Trust for the year to March 31, 1977 is being upgraded from £3.25m. to £3.5m.

BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock Exchange, the purpose of which is usually to discuss the results of company operations.

TODAY

James - British Electric Tractor	Jan. 14
James - British Electric Tractor	Jan. 19
James - British Electric Tractor	Jan. 27

There is no dividend. Last year's total was £0.75p. Mr. I. Haylock and Mr. J. H. Dyer have been appointed to the Board.

T. Cowie record profits

REFLECTING to some degree action taken to keep within Price Commission reference levels, turnover of T. Cowie was £23.6m for the year ended September 30, 1976, compared with £18.1m and pre-tax profit was a record £0.95m, against £0.73m.

Pergamon jumps to £2.35m.

LARGELY due to increased deliveries and the reduced value of sterling, pre-tax profits of the Pergamon Press group for 1976 exceeded £2.35m, compared with £1.8m for 1975.

Halftime progress at Hollas

ON TURNOVER of £3.5m. to £4.7m., Hollas Group made a profit of £285,737 for the half year to September 30, 1976, against £227,715, before tax of £146,563 compared with £115,411.

No dividend from Crane's Screw

Pre-tax profits of Crane's Screw (Holdings) - recently acquired by Armstrong Equipment - slipped from £54,478 to £26,271 in the 26 weeks to September 30.

1975-76 1976-76

Net revenue	2,159	2,609
Miscellaneous	40	276
Share of associates	12	18
Revenue before tax	2,181	2,923
Taxation	218	182
Net revenue	1,963	2,741

Independent Newspapers growth

REFLECTING buoyant increases in revenue from circulation and advertising, particularly in the last quarter, pre-tax profit of the Independent Newspapers rose sharply from £0.45m. to £1.36m. - a record - for the year 1976, after £0.57m. (£0.26m.) at half-year.

J. F. Nash advances by 73%

AFTER A TURNROUND from a loss of £30,000 to a profit of £100,000, J. F. Nash Securities has reported on December 16 pre-tax profits of £1.07m. (£0.57m.) in the year to September 30, 1976, was 73 per cent. higher at £903,532 against £520,489.

Outlook at Eldridge Pope

In his annual statement, Mr. P. W. Pope, the chairman of brewers, etc., Eldridge Pope and Co., says that the current year is going well and whether or not success and growth experience a temporary setback because of the economic situation or a wet summer, the group will take the best advantage of any opportunity.

1975-76 1976-76

Turnover	1,570	1,300
Profit before tax	1,069	1,069
Taxation	148,223	118,411
Attrib. Ordinary	134,776	109,202
Interest	2,073	28,088
Minority interest	2,449	28,088
Retained	66,412	71,574

Best ever crop prospect for Moran Tea

The crop for the current year to March 31, 1977, at Moran Tea Holdings will be a record, the chairman, Mr. E. G. McCraith forecasts in his annual statement.

RECENT ISSUES

Issue Price	Amount	Parity	1976/77 High/Low	Stock	Closing	Change	Dividend	Yield	P.E. Ratio
100	F.P.	100	100	100	100	100	100	100	100

FIXED INTEREST STOCKS

Issue Price	Amount	Parity	1976/77 High/Low	Stock	Closing	Change	Yield
100	F.P.	100	100	100	100	100	100

"RIGHTS" OFFERS

Issue Price	Amount	Parity	1976/77 High/Low	Stock	Closing	Change	Yield
100	F.P.	100	100	100	100	100	100

First half profit for Somportex

Distributors of confectionery and groceries etc. Somportex had a first half profit of £1.5m. against a loss of £1.5m. in the corresponding period in 1975.

Prospects at N. Midland Construction

In his annual statement, Mr. T. G. Morley, chairman of North Midland Construction Company says that in an industry heavily dependent on public expenditure it is not easy to be optimistic.

dubilier

	1976	1975
Sales	£6,300,000	£5,650,000
Pre-tax profits	£ 537,000	£ 515,000
After-tax profits	£ 253,000	£ 312,000

● New orders up 28%
● Rising exports
● Strong financial position
● Dividend up 10%

Dubilier Limited

Manufacturers of capacitors, resistors, co-axial connectors, fuses and electronic components.

Redfern National Glass Limited


Manufacturers of glass containers

ONE WORD FROM US, AND MOST OF YOUR EMPLOYEES WILL LEAVE-GLADLY.

When your employees retire they look to you for a decent pension. And rightly so. But as from this year, they'll be asking more questions than usual about pension benefits. Questions like: what salary-level will benefit least/most from the state pension scheme? Like: do you intend to use the existing company pension scheme to opt out of the state scheme? Or even: why don't we have a company pension scheme?

ASSURANCE LIMITED

History in the building.



Scottish & Newcastle Breweries Limited

INTERIM REPORT
26 weeks ended October 31, 1976

For the 26 weeks ended October 31, 1976 the Group profit before taxation was £20,492,000 which compared with £17,772,000 for the corresponding period in 1975.

	26 weeks ended October 31, 1976 (unaudited)	26 weeks ended October 26, 1975 (unaudited)	53 weeks ended May 2, 1976
Turnover	171,973	152,892	309,797
Operating profit	19,445	18,232	31,211
Associated companies	1,407	1,101	1,772
Financial income	1,844	921	2,707
Financial expenses	(2,204)	(2,482)	(4,752)
Profit before taxation	20,492	17,772	30,938
Taxation	10,804	9,277	16,127
Earnings after taxation	9,688	8,495	14,811
Preference dividend	265	246	530
Earnings attributable to ordinary shareholders	9,423	8,249	14,281
Extraordinary item	—	—	1,919
	9,423	8,249	12,362
Interim dividend to ordinary shareholders at 1-20p per 20p share (1975: 1-00p)	3,266	2,721	7,552
Retained	6,157	5,528	4,810
Earnings per share	3-46p	3-24p	5-61p

Earnings per share are calculated on the average number of shares outstanding during the 26 weeks ended October 31, 1976 (272.1 million) and during the 53 weeks ended May 2, 1976 (254.4 million).

Sales of ale and lager by volume in the 26 weeks to October 31, 1976 were level with the corresponding period for last year. Sales for the remainder of the year are unlikely to exceed last year's volume. McEwan's Lager on draught is now available throughout Scotland with encouraging results. Volume sales of wines and spirits in the home market were down but export sales were up. Managed public houses and hotels showed improved profits.

MINING NEWS

Bonus for S. Africa's gold producers?

BY KENNETH MARSTON, MINING EDITOR

REVALUATION of the South Africa's gold reserves during 1977, when the new International Monetary Fund articles are ratified, is expected to raise again the issue of whether the gold mines are entitled to any premium payment for gold taken to reserve since the establishment of the two-tier market in 1968.

Government. But it left open the possibility that this strict legal position would not preclude the later, with appropriate Parliamentary approval, from passing on part or all of the profit to the mines.

ARCO-ANACONDA MERGER RULING

The U.S. Federal Trade Commission has suffered a setback in its attempt to block the takeover of the country's third largest copper group, Anaconda, by the major oil concern, Atlantic Richfield.

Palabora's 1976 output

COPPER sales of the Rio Tinto Zinc group's open-outcrop Palabora mine in South Africa fell slightly last year to 96,383 tonnes from 97,744 tonnes.

PEKO-WALLSEND'S HALF-YEAR

In its report for the 21-week period to December 31 Australia's Peko-Wallsend says that copper production amounted to 5,374 tonnes compared with 4,239 tonnes in the same period of 1975.

Redfearn Glass maintains upward sales trend

THE UPWARD sales pattern evident at Redfearn National Glass last summer continued into the autumn and Mr. Stanley Race, chairman, says he has every confidence that the "excellent progress" made in 1975-76 should be maintained.

to offer incentives to our employees and to implement a remuneration policy designed to stimulate and reward initiative," declares Mr. Race.

BIDS AND DEALS

Cavenham stake in Beaverbrook

A 35 per cent. holding in Beaverbrook Group's non-voting "A" shares has been bought by Sir James Goldsmith's Cavenham Group from News International.

News International repurchased in October a one-third stake in Beaverbrook from London Merchant Securities at the request of its chairman Lord Raker.

BREMAR HAS 50.4% OF BUCKNALL

Bremar Holdings, whose interests are in domestic and international banking, has gained control of Bucknall Trust.

DIRECT SPANISH TELEGRAPH

Acceptances of the recommended offer made by Trafalgar House Investments for the capital of Direct Spanish Telegraph have so far been received in respect of 6,848,517 ordinary shares, which represents 73.73 per cent. of the capital.

SANGAMO WESTON

The Scheme of Arrangement between Sangamo Weston and the holders of its Ordinary Shares (other than the 2,044,454 Ordinary Shares beneficially owned by Schumberger or its subsidiary) was approved yesterday by such holders at yesterday's meeting.

EDINBURGH & GENERAL

At the extraordinary general meeting of Edinburgh & General Investments the resolutions were passed approving the winding up of the company.

HEPWORTH CERAMIC

The offer by the U.S. subsidiary of Hephworth Ceramic Holdings to purchase for cash all the outstanding common stock of W. S. Dickey Clay Manufacturing Company at \$1.75 per share net has now been accepted by the shareholders.

WILLIAMS & WOODS

Acceptances of the offer from Newmont of the offer by Williams and Woods have been received in respect of 242,526 Ordinary Shares. With the 329,929 shares held prior to the offer, Nestle now holds 572,455 per cent. of the capital. The offer is now unconditional and remains open.

SHARE STAKE

Share investments have acquired a further 290 Single Holdings 4.55 per cent. Preference Shares. Total holding is 56,660 shares.

TV Top 20

Table with 2 columns: Program Name, Viewers (Millions). Includes 'The Dame of Sark', 'This is Your Life', 'Starkey & Hutch', etc.

Slater court hears of 'secret share deals'

MR. JIM SLATER listened patiently to-day as one of his former executives testified against him in court. Mr. Johnson-Hill, former managing director of Slater Walker Overseas Investments, claimed Mr. Slater had authorised secret share deals and manoeuvres to hide company profits.

when he was offered shares in Spydar Securities, a Hong Kong investment company set up for the benefit of Slater Walker executives. All six charges against Mr. Slater, 46, of Esher, Surrey, relate to Spydar.

Belgian group pays insurance claims

BY DAVID BUCHAN ANTWERP, Jan. 12. MARINE INSURANCE claims worth \$55,000 found to be properly insured in a possible fraud being investigated by City of London police have now been totally paid up to Lloyd's brokers by Antwerp brokerage company.

New schools cash cut by £28m.

By James McDonald ALLOCATIONS by the Department of Education and Science for primary and secondary school building in 1976-77 and 1977-78 will be reduced by £28m. over £261m. to £233m. over the two-year period, the Department announced yesterday.

Four sent for trial on council fraud charges

FOUR MEN accused of conspiring to defraud the London Borough of Tower Hamlets were sent for trial at the Old Bailey when they appeared at Thames Court yesterday.

Housing design competition entries invited

ENTRIES ARE invited for the 1977 Good Design in Housing Award Scheme.

Dyeing machine safety advice

FOLLOWING 12 fatalities and at least 40 serious accidents during the past five years in operation of pressurised high-temperature dyeing machines, the Health and Safety Executive has produced a guidance note.

Call to probe tax evasion

THE GOVERNMENT should step up investigation of tax abuse and evasion, Mr. Stephen Rodan, chairman of the Scottish Young Liberals, said last night.

ALLIED BANK INTERNATIONAL have pleasure in announcing that they have now moved to their new London office at 6, FREDERICK'S PLACE, LONDON EC2R 8DH

BROWN & TAWSE LIMITED Interim Results Six months ended 30th September 1976 6 months ended 30.9.76 6 months ended 30.9.75

NOTICE OF ISSUE Application has been made to the Council of The Stock Exchange for the undermentioned Stock to be admitted to the Official List. The Mid Kent Water Company OFFER FOR SALE BY TENDER OF £3,000,000 9 per cent. Redeemable Preference Stock, 1982

INTERNATIONAL FINANCIAL AND COMPANY NEWS

Occidental urges Carter to back oil shale moves

BY RAY DAFTER, ENERGY CORRESPONDENT

PRESIDENT-ELECT Mr. Jimmy Carter is being urged to back the expansion of a U.S. energy industry based on the full-scale development of shale oil.

Dubai sets up £150m. investment company

By Kathleen Bishawi

DUBAI, Jan. 12.

A MASSIVE investment company is to be established by the Dubai Government, this week to undertake a wide sphere of commercial and financial developments in the UAE and overseas.

EUROBONDS

Banco do Brasil issues \$40m. BDRs

BY TONY HAWKINS

BRAZIL'S largest commercial bank, Banco do Brasil, is making a \$40m. floating rate note issue, represented by Bearer Depositary Receipts issued by Chemical Bank in the Eurobond market.

Poclair search may end

BY DAVID CURRY

PARIS, Jan. 12.

THE LONG search for a partner to inject cash and management expertise into the French hydraulic excavator and construction equipment manufacturer, Poclair, may well be nearing its end.

AMERICAN NEWS

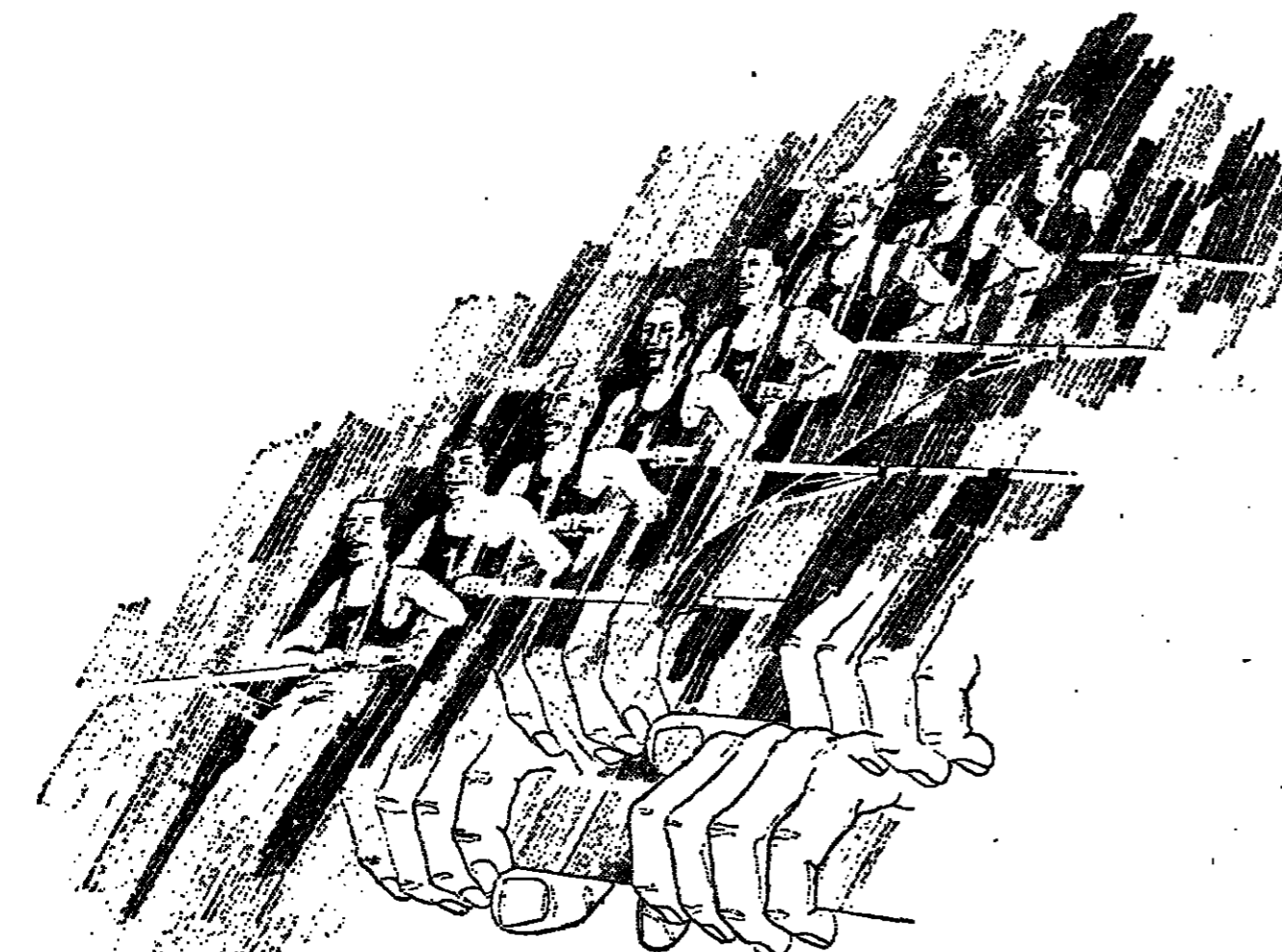
ARCO-Anaconda merger

LOS ANGELES, Jan. 12

ATLANTIC RICHFIELD (ARCO) said it and Anaconda intend to proceed with their proposed merger now that court action has denied an attempt to block it.

Fitzwilton completes sale of \$10m. note

AS FORESHADOWED in the chairman's statement in November, 1976, the Fitzwilton group announces completion of the sale of the \$10m. 6 per cent. ten-year promissory note which it received from the Williams companies in consideration of the previously announced sale of 50 per cent. of Goulding Chemicals.



Efficiency

It doesn't show on the balance sheet, but it's one of WestLB's most important assets

When selecting your international banking partner there are a number of vital questions you have to ask yourself. One concerns efficiency. "Can the bank meet my standards of efficiency?"

WestLB knows it can and here are some reasons why.

German industry and commerce enjoy a worldwide reputation for efficiency, and WestLB grew up at the very heart of the country's economic life.

WestLB's growth record bears ample testimony to its varied capabilities.

With a balance sheet total of close on DM 64,000 million, the backing of the State of North Rhine Westphalia and the regional organization of the Sparkassen (local universal banks), WestLB not only has an exceptionally solid foundation; its functions as a bank incorporated under public law give it access to vast resources.

These funds, which are enlarged by the authorization to issue its own bearer bonds, enable WestLB's team of experienced bankers to offer its customers a wide range of universal banking services; from

full commercial banking services to tailor-made finance leasing, and from syndicated loans to private placements.

WestLB's international clients have come to appreciate the Bank's flexibility. After evaluating a corporate or public customer's requirements, WestLB selects and recommends the appropriate financing package. It may involve the organization of an underwriting syndicate, a private placement, a Eurocurrency loan or even a direct participation.

Both investment counselling and portfolio management benefit from the Bank's vast experience in sponsoring its own funds and the successful management of mutual and real estate funds.

WestLB's daily trading on leading German stock exchanges, active stockbroking and bond dealing provide it with an in-depth familiarity with the securities business.

However, efficiency is only one of the many qualities WestLB has to offer. Before making a final choice about your international banking partner you should ask yourself other important questions. "Is the bank absolutely trustworthy?" "Has it the depth of experience I need?" "Is it truly international?"

For WestLB's answers, contact us directly, or ask your local bankers to put you in touch with us.

WestLB

Westdeutsche Landesbank Girozentrale

a growing force in international banking

Düsseldorf P. O. Box 1128

London Branch: 21, Austin Friars, London EC 2N 2HB, Telephone 01-6386141, Telex 887984

Advertisement for WestLB featuring a coat of arms and financial details for Kuwait International Investment Co. s.a.k. and Republic of Panama.

Handwritten Arabic text at the bottom of the page.

INTERNATIONAL FINANCIAL AND COMPANY NEWS

BASF planning to raise DM. 312m. by rights issue

BY GUY HAWTIN

FRANKFURT, Jan. 12.

BASF, West Germany's second largest chemical concern, is planning a rights issue aimed at raising DM312m. (€78m.). The money will be used to finance the group's medium-term investment plans...

The offer, made at a ratio of 1 to 15, should prove attractive to investors. The group's shares are currently trading at around DM160 on the Frankfurt Stock Exchange...

Deutsche Bank buys Luebeck stake

FRANKFURT, Jan. 12.

DEUTSCHE Bank has now acquired a blocking minority of shares of Handelsbank in Luebeck, a regional bank with an equity capital of DM12m. nominal and a 1976 business volume of DM1.14bn.

SCHLUMBERGER

Logging the energy gap

BY TERRY BYLAND

A COMPANY which has head offices on both sides of the Atlantic is predominantly involved in the world-wide oil business, and yet has substantial interests in other areas...

Although Schlumberger's earnings base remains firmly established in the North American oil industry, the group itself is legally established in The Netherlands Antilles...

Table with 2 columns: Year (1975, 1974) and Revenue/Income (in millions). Rows include Operating Revenue, Operating Income, and others.

balance-sheet achievements. Although Schlumberger has diversified into drilling and production oilfield services, some 30,000 staff but only 110 work in the New York headquarters...

Barlow Rand-PPC deal

BY RICHARD ROLFE

JOHANNESBURG, Jan. 12.

BARLOW RAND and Pretoria Portland Cement have proposed a deal which, subject to the agreement of PPC's outside shareholders, will result in PPC acquiring Northern Lime, a wholly-owned Barlow Rand subsidiary...

can be consolidated in order to improve earnings in the top company, Barlow Rand. Whether the deal will succeed depends now on PPC's big institutional holders...

RWE profit gains

Consolidated net profit in year ended June 30, rose to DM448m. (DM392m.). Turnover was DM11.5bn. (DM10.5bn.). The volume of electricity sales was 96bn. kilowatt hours, up 0.4 per cent.

Japanese News

Honda New York listing

TOKYO, Jan. 12.

HONDA MOTOR said its shares in the form of American Depositary Receipts (ADR) are expected to be listed on the New York Stock Exchange on February 11, reports Reuter.

Japanese company to be listed in New York after Sony Corporation, Matsushita Electric Industrial, Kubota, and Pioneer Electronic Corporation.

East Asiatic plans

By Hilary Barnes. COPENHAGEN, Jan. 12. THE EAST ASIATIC Electric one of Europe's largest trading companies, expects to increase its share capital either this year or next...

Tealtronic to be liquidated

BY MICHAEL VAN OS

AMSTERDAM, Jan. 12.

THE TROUBLED Dutch office computer manufacturer Tealtronic, which has been occupied by its staff for some time, is to be liquidated. This has been announced in the Hague by the Economics Minister...

Lubbers's decision to safeguard the employment of some 400 employees at least. It was felt that further action served no further purpose.

BNP Chad stake

RANQUE National de Paris (BNP), the French-owned bank, now holds a 29.4 per cent stake in a recently set up bank at N'Djamena, in Chad.

SELECTED EURODOLLAR BOND PRICES MID-DAY INDICATIONS

Table listing various Eurodollar bond prices and mid-day indications for different maturities and currencies.

Wormald International Holdings (U.K.) Limited. A wholly-owned subsidiary of Wormald International Limited. US \$20,000,000 Medium Term Loan Managed by Morgan Grenfell & Co. Limited.

Banco Nacional De Cuba DM150,000,000 5-Year Loan. Managed by Morgan Grenfell & Co. Limited/ The Arab and Morgan Grenfell Finance Company Limited. Havana International Bank Limited. Bank for Foreign Trade of the U.S.S.R. Hypobank International S.A. PKbanken International (Luxembourg) S.A. Trade Development Bank. Bank for Foreign Trade of the U.S.S.R. Havana International Bank Limited. International Bank for Economic Co-operation. RBC Finance B.V. Morgan Grenfell & Co. Limited. The Royal Bank of Canada International Limited. Banque Belge Limited. UBAF Bank Limited. Union de Banques Arabes et Françaises-U.B.A.F. Agent Bank Morgan Grenfell & Co. Limited.

Copenhagen Handelsbank A/S (Aktieselskabet Kjøbenhavns Handelsbank). U.S. \$25,000,000 8 per cent. Capital Notes due 1982. Manufacturers Hanover Limited. Credit Suisse White Weld Limited. Morgan Stanley International.

Tel Aviv shares gain

By L. Daniel

TEL AVIV, Jan. 12. INFLATIONARY trends in the Israeli economy are reflected by the rise during 1976 of both shares and index-linked bonds at the rate of over 38 per cent.

FARMING AND RAW MATERIALS

Coffee futures surge as speculators buy again

LONDON COFFEE futures gained nearly £200 a tonne yesterday in a continued reaction to the recent £500 decline. The March position on the terminal market ended £173.5 higher at £2,687.5 a tonne, bringing the rise in the past two days to £295.

U.S. may seek world wheat price talks

DISCUSSIONS WITH Canada and other countries to see whether a multilateral arrangement on wheat prices could be worked out with competitors and customers alike was advocated by Mr. Bob Bergland...

Higher Peru anchovy catch estimated

WASHINGTON, Jan. 12. PERU'S ANCHOVY catch in 1976 rose to 3,915,000 tonnes from 3,979,000 in 1975, according to the U.S. Department of Agriculture (USDA), reports Reuters.

New peaks in cocoa market

By John Edwards, Commodities Editor. COCOA PRICES reached new all-time peaks on the London futures market yesterday, continuing the recent upsurge in values. The May position closed £115 up at £2,118.5 a tonne after trading at £2,134 at one stage earlier in the day.

Australian wool exports forecast cut

CANBERRA, Jan. 12. THE BUREAU of Agricultural Economics has slightly lowered its third estimate of Australia's 1976-77 wool exports to 825m. kilos greasy equivalent from its 850m. second forecast in September, reports Reuters.

Sunflower seed output hit in Russia

MOSCOW, Jan. 12. WHITE AND grey rot affected almost the entire Ukraine sunflower crop last year, the Ukrainian daily Pravda Ukrainy reported.

Farm costs soar by £895m.

AGRICULTURE REVIEW WHITE PAPER. BY PETER BULLEN. GOVERNMENT AND farmers were united yesterday in describing the 1976-77 year as disappointing and difficult. The Government's Annual Review of Agriculture White Paper highlighted the record rise in costs of £895m, or 30 per cent, over the previous year...

Serious threat from feed price rises

BY JOHN CHERRINGTON, AGRICULTURE CORRESPONDENT. AS A FARMER I have never been able to take the annual review White Papers very seriously, because they are in economic terms incomprehensible to all but the experts.

COMMODITY MARKET REPORTS AND PRICES

Table with columns for Commodity, Unit, and Price. Includes sections for BASE METALS, COPPER, and WIREBARS.

PRICE CHANGES

Table showing price changes for various commodities like Tin, Lead, Zinc, and Silver.

US Markets

Table showing US market prices for Cotton, Soybean Meal, and Wool Futures.

Cotton limit down again, metals firm

THE COPPER market was not on a high note yesterday. The price of silver was firm on late trade buying. Grains were firm on an announcement of House support for a bill to increase the cotton production quota...

Public Notices section containing various legal notices, company notices, and financial reports.

Company Notices section containing notices from various companies including Citibank and others.

Financial Times section containing various market reports, price changes, and commodity news.

Large advertisement for the European-American Commodities Conference, featuring details about the event, speakers, and contact information.

STOCK EXCHANGE REPORT
Gilts lose their buoyancy and equities ease further
Index down a point at 357.6—APC feature late

Account Dealing Dates
Option
First Declara- Last Account
Dealing Dates Dealings Day

Stock markets were again looking rather uncertain after the recent strong advance. Gilt-edged generally turned easier but were tending to rally late while sellers just had the edge in the equity leaders. The Funds closed above the worst, particularly at the longer end of the market where the overnight setback of a point were pared to 1/2. Final quotations in the shorts ranged from 4 and occasionally more and the Government Securities Index eased 0.22 to 82.33 after nine successive days' gains.

Equities followed in the wake of Gilts, with sentiment at the opening additionally unsettled by the overnight setback on Wall Street. Prices were lowered at the start, but gradually recovered in the course of a reasonable two-way trade. This was reflected in the FT 30-share index which touched its lowest of the day at 10 a.m. with a fall of 48 and failed to close only a point down on balance at 357.6. Against the trend, APC provided a good late feature at 162p, up 8, following news of two major export contracts.

Although there were still some bright spots in secondary issues, profit-taking became more noticeable and falls led rises by nearly four-to-one in FT-equities. The FT-Actuaries All-Share index lost 1.1 per cent. to 133.70. Official markings of 8,175 compared with 7,223 on Tuesday and 5,174 a week ago.

Gifts above worst
Long-dated British Funds extended Tuesday's late shake-out and at one stage were showing a fall point. The reaction was not unexpected, however, in view of the recent strength and once the selling, which included some for re-investment in the new short rate, had run its course a

recovery ensued which left maximum falls to 1/2 on the day. At the shorter end of the market, switching at guaranteed prices into the new Exchange rate 122 per cent. 1981, stock for which lists open today, was considerable and it is possible that the 2000m. issue of 100s will be taken up otherwise was slightly below the previous day's level but quotations, after easing 4, began to edge higher and were only 1/2 off the 1 1/2 bid trading.

Buyers of investment currency held off again and with some last-minute sellers operating the premium fell to 115 1/2 per cent. before rallying to close a net 2 points down at 1181 per cent. Yesterday's 325 conversion factor was 0.7024 (0.6955).

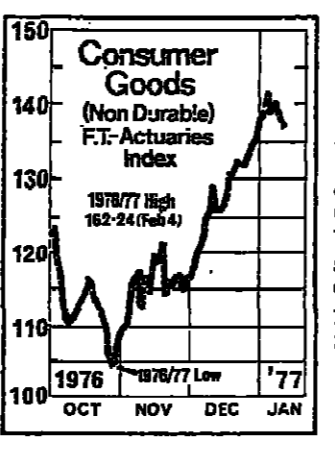
Reflecting currency influences, United Technologies eased a point to 231. A firm market of late behind the recent upsurge in gilt-edged securities and ahead of next Wednesday's preliminary results, United Discount eased 10 to 327p, Gerrard and National closed 4 off at 138p. Home Banks drifted easier than their trading. Barclays, 260p, Midland 265p, and National Westminster at 225p, all closed 3 lower, while Lloyds, was 2 off at 213p. Hong Kong and Shanghai lost 7 to 350p in Overseas issues. Schroeders gave up 15 to 300p in a thin market in easier Merchant Banks.

Further consideration of the disappointing first-half profits and a further 2 off logs Robson at 125p, while other insurance Brokers shares wilted on light profit-taking. Matthews Wrightson lost 1 1/2 to 167p and G. Heath recorded 8 to 412p. Composites were quiet with Royals 8 off at 288p and Guardian Royal Exchange 5 down at 170p.

Reacting with the general trend, Scottish and Newcastle cheapened 1 1/2 to 47p despite producing first-half figures which were in line with market expectations. Similar losses were recorded in Allied, 83p, and Whitbread 'A', 64p, while Dippers eased 2 to 122p.

AP Cement featured late in Buildings, rising 1/2 to 162p on news

that the company has signed two major contracts to supply large quantities of bulk cement to Nigeria and Venezuela. Bett Bros, edged up 2 to 32p on preliminary figures, while Travis and Arnold moved up 4 to 96p for



Rentals, 47p, and Newman signed two major contracts to supply large quantities of bulk cement to Nigeria and Venezuela. Bett Bros, edged up 2 to 32p on preliminary figures, while Travis and Arnold moved up 4 to 96p for

fall of 31. Somporters, held at 22p following the disclosure of sub-structure reduced first-half profits. Gateway Securities, A, 44p, gave up 3 of the previous day's bid-inspired rise of 7 1/2. Bishop's Stores A, which has a sharehold- ing in Gateway of around 11 per cent., attracted speculative interest and closed 6 higher at 67p.

Hotels and Caterers had an easier bias. Brent Walker eased 5 to 30p in front of to-morrow's interim statement, while Epicure fell 13 to 21p, and Myddleton declined 4 to 82p.

Lep Group firm
Minor losses were the order of the day in the Miscellaneous Industrial leaders, following a small two-way business. Unilever cheapened 4 to 426p and Beecham 2 to 57p, while Glaxo softened a penny to 401p, after extremes

Leading Engineers resisted initially but later joined in the general trend and closed a few pence easier. GKN lost 4 to 270p, but heavier losses appeared at the end of secondary issues. Pegler-Hatterley were lowered 8 to 134p and C. and W. Walker fell 10 to 115p following comment that a revision to the 1977 forecasts was also due at 133p, down 7p, while falls of about 4 were seen in Adwest, 140p, Aerco 'A', 38p, and British Nylon 192p. Glynor, reflecting preliminary figures a little better than most expecta- tions, gained 4 to 342p and Brown and Tawse moved up 3 to 78p on the impressive first-half results.

Press advice on the bid situation attracted renewed support for Spear and Jackson, 3 higher at 135p, and G. W. George. Salford 8 per cent. Premiums were raised 30 to 35p on the 60p cash offer from Stavely Industries. Dunford and Elliott improved 3 to 210p, and Anderson Kayser 2 more to 30p.

Foods moved lower with Cavenham closing 4 off at 93p and Tate and Lyle 4 cheaper at 258p. J. E. Eastwood shed 3 to 57p in the interim loss, shaded a penny, while Bejams, 77p, and Linford, 212p, gave up 3 and 5 respectively. Needle's still reducing the forecast loss, eased but EMI shed 3 to 214p, changing a penny to 13p for a three-day

run of 31. Somporters, held at 22p following the disclosure of sub-structure reduced first-half profits. Gateway Securities, A, 44p, gave up 3 of the previous day's bid-inspired rise of 7 1/2. Bishop's Stores A, which has a sharehold- ing in Gateway of around 11 per cent., attracted speculative interest and closed 6 higher at 67p.

Hotels and Caterers had an easier bias. Brent Walker eased 5 to 30p in front of to-morrow's interim statement, while Epicure fell 13 to 21p, and Myddleton declined 4 to 82p.

Lep Group firm
Minor losses were the order of the day in the Miscellaneous Industrial leaders, following a small two-way business. Unilever cheapened 4 to 426p and Beecham 2 to 57p, while Glaxo softened a penny to 401p, after extremes

Leading Engineers resisted initially but later joined in the general trend and closed a few pence easier. GKN lost 4 to 270p, but heavier losses appeared at the end of secondary issues. Pegler-Hatterley were lowered 8 to 134p and C. and W. Walker fell 10 to 115p following comment that a revision to the 1977 forecasts was also due at 133p, down 7p, while falls of about 4 were seen in Adwest, 140p, Aerco 'A', 38p, and British Nylon 192p. Glynor, reflecting preliminary figures a little better than most expecta- tions, gained 4 to 342p and Brown and Tawse moved up 3 to 78p on the impressive first-half results.

Press advice on the bid situation attracted renewed support for Spear and Jackson, 3 higher at 135p, and G. W. George. Salford 8 per cent. Premiums were raised 30 to 35p on the 60p cash offer from Stavely Industries. Dunford and Elliott improved 3 to 210p, and Anderson Kayser 2 more to 30p.

Foods moved lower with Cavenham closing 4 off at 93p and Tate and Lyle 4 cheaper at 258p. J. E. Eastwood shed 3 to 57p in the interim loss, shaded a penny, while Bejams, 77p, and Linford, 212p, gave up 3 and 5 respectively. Needle's still reducing the forecast loss, eased but EMI shed 3 to 214p, changing a penny to 13p for a three-day

run of 31. Somporters, held at 22p following the disclosure of sub-structure reduced first-half profits. Gateway Securities, A, 44p, gave up 3 of the previous day's bid-inspired rise of 7 1/2. Bishop's Stores A, which has a sharehold- ing in Gateway of around 11 per cent., attracted speculative interest and closed 6 higher at 67p.

run of 31. Somporters, held at 22p following the disclosure of sub-structure reduced first-half profits. Gateway Securities, A, 44p, gave up 3 of the previous day's bid-inspired rise of 7 1/2. Bishop's Stores A, which has a sharehold- ing in Gateway of around 11 per cent., attracted speculative interest and closed 6 higher at 67p.

Hotels and Caterers had an easier bias. Brent Walker eased 5 to 30p in front of to-morrow's interim statement, while Epicure fell 13 to 21p, and Myddleton declined 4 to 82p.

Lep Group firm
Minor losses were the order of the day in the Miscellaneous Industrial leaders, following a small two-way business. Unilever cheapened 4 to 426p and Beecham 2 to 57p, while Glaxo softened a penny to 401p, after extremes

Leading Engineers resisted initially but later joined in the general trend and closed a few pence easier. GKN lost 4 to 270p, but heavier losses appeared at the end of secondary issues. Pegler-Hatterley were lowered 8 to 134p and C. and W. Walker fell 10 to 115p following comment that a revision to the 1977 forecasts was also due at 133p, down 7p, while falls of about 4 were seen in Adwest, 140p, Aerco 'A', 38p, and British Nylon 192p. Glynor, reflecting preliminary figures a little better than most expecta- tions, gained 4 to 342p and Brown and Tawse moved up 3 to 78p on the impressive first-half results.

Press advice on the bid situation attracted renewed support for Spear and Jackson, 3 higher at 135p, and G. W. George. Salford 8 per cent. Premiums were raised 30 to 35p on the 60p cash offer from Stavely Industries. Dunford and Elliott improved 3 to 210p, and Anderson Kayser 2 more to 30p.

Foods moved lower with Cavenham closing 4 off at 93p and Tate and Lyle 4 cheaper at 258p. J. E. Eastwood shed 3 to 57p in the interim loss, shaded a penny, while Bejams, 77p, and Linford, 212p, gave up 3 and 5 respectively. Needle's still reducing the forecast loss, eased but EMI shed 3 to 214p, changing a penny to 13p for a three-day

run of 31. Somporters, held at 22p following the disclosure of sub-structure reduced first-half profits. Gateway Securities, A, 44p, gave up 3 of the previous day's bid-inspired rise of 7 1/2. Bishop's Stores A, which has a sharehold- ing in Gateway of around 11 per cent., attracted speculative interest and closed 6 higher at 67p.

FINANCIAL TIMES STOCK INDICES

Table showing various stock indices including Government Secs, FT 30, Industrial Ordinary, Gold Mines, Ord. Div. Yield, etc., with values for Jan 12 and Jan 11.

HIGHS AND LOWS

Table showing Highs and Lows for various indices like Govt. Secs, FT 30, Industrial Ordinary, etc., for 1977 and since completion.

S.E. ACTIVITY

Table showing S.E. Activity for various sectors like Govt. Secs, FT 30, Industrial Ordinary, etc., with values for Jan 12 and Jan 11.

Jobs worry for probation officers

FEARS were voiced yesterday that some trainee probation officers may not be able to find jobs this summer as a result of Government cuts. The National Association of Probation Officers called on the Home Office to ensure that the trainees did not join newly qualified school teachers in the dock as the national social executive resolved that NAPO would not agree to the assumption of any new duties until financial restrictions were lifted. About 440 students complete probation training this year.

NEW HIGHS AND LOWS FOR 1976/77

Table listing new highs and lows for 1976/77 for various companies and indices, including British Funds, Engineering, Industrial, etc.

BASE LENDING RATES

Table showing base lending rates for various banks and financial institutions, including Allied Irish Banks, American Express Bank, etc.

RISES AND FALLS

Table showing rises and falls for various indices and sectors, including British Funds, Industrial, etc.

CORAL INDEX

Close 357.62

F.T.—ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, The Institute of Actuaries and the Faculty of Actuaries

Large table containing Equity Groups, Active Stocks, and Fixed Interest rates. Equity groups include Capital Goods, Building Materials, Contracting, etc. Active stocks list various companies with their closing prices and changes. Fixed interest lists various financial products with yields.

MONEY MARKET

Another signal on MLR
Bank of England Minimum Lending Rate 14 per cent. (since January 7, 1977)

MONEY MARKET

Another signal on MLR
Bank of England Minimum Lending Rate 14 per cent. (since January 7, 1977)

Table detailing money market conditions, including interbank rates, local authority deposits, and various bank rates. It includes sections for 'Another signal on MLR' and 'Disbursements, but by far the largest factor against the market'.

INSURANCE BASE RATES

Property Growth 19%, Cannon Insurance 13%, etc.

AUTHORISED UNIT TRUSTS

Table listing various unit trusts and their performance metrics, including Abbey Unit Tr. Mgrs. Ltd., Discretionary Unit Fund Managers, Hill Samuel Unit Tr. Mgrs. Ltd., and others.

REGIONAL MARKETS table showing share prices for various regional areas like London, Midlands, and the South.

LEADERS AND LAGGARDS table listing top and bottom performing stocks in the market.

LEGAL NOTICES section containing several legal notices regarding court proceedings and company matters.

INSURANCE, PROPERTY, BONDS

Table listing various insurance and financial services, including Abbey Life Assurance Co. Ltd., City of Westminster Assur. Soc., and others.

OFFSHORE AND OVERSEAS FUNDS

Table listing offshore and overseas investment funds, including Arbuthnot Securities (C.I.) Limited, Charterhouse Japhet, and others.

CLASSIFIED ADVERTISEMENTS section with contact information for classified advertisement rates and services.

Financial Times, 10, Cannon Street, EC4B 4BY.

WADKIN
MACHINE TOOLS
THE
NO. 1 SPECIALISTS

FT SHARE INFORMATION SERVICE

HOTELS—Continued

Stock	Price	%	Div	Yield	Yield
De Vere Hotels	135.00	0.9	7.1	2.8	
De Vere Hotel	135.00	0.9	7.1	2.8	
De Vere Hotel	135.00	0.9	7.1	2.8	
De Vere Hotel	135.00	0.9	7.1	2.8	
De Vere Hotel	135.00	0.9	7.1	2.8	

ENGINEERING—Continued

Stock	Price	%	Div	Yield	Yield
Ballie's	10.00				
Ballie's	10.00				
Ballie's	10.00				
Ballie's	10.00				
Ballie's	10.00				

ELECTRICAL AND RADIO

Stock	Price	%	Div	Yield	Yield
A.B. Electronics	10.00				
A.B. Electronics	10.00				
A.B. Electronics	10.00				
A.B. Electronics	10.00				
A.B. Electronics	10.00				

FOOD, GROCERIES, ETC.

Stock	Price	%	Div	Yield	Yield
Adams Foods	10.00				
Adams Foods	10.00				
Adams Foods	10.00				
Adams Foods	10.00				
Adams Foods	10.00				

BUILDING INDUSTRY—Continued

Stock	Price	%	Div	Yield	Yield
British Steel	10.00				
British Steel	10.00				
British Steel	10.00				
British Steel	10.00				
British Steel	10.00				

CHEMICALS, PLASTICS

Stock	Price	%	Div	Yield	Yield
Alco. Plastics	10.00				
Alco. Plastics	10.00				
Alco. Plastics	10.00				
Alco. Plastics	10.00				
Alco. Plastics	10.00				

CINEMAS, THEATRES AND TV

Stock	Price	%	Div	Yield	Yield
Amalgamated	10.00				
Amalgamated	10.00				
Amalgamated	10.00				
Amalgamated	10.00				
Amalgamated	10.00				

DRAPERY AND STORES

Stock	Price	%	Div	Yield	Yield
Alford Retail	10.00				
Alford Retail	10.00				
Alford Retail	10.00				
Alford Retail	10.00				
Alford Retail	10.00				

BUILDING INDUSTRY, TIMBER AND ROADS

Stock	Price	%	Div	Yield	Yield
Alford Retail	10.00				
Alford Retail	10.00				
Alford Retail	10.00				
Alford Retail	10.00				
Alford Retail	10.00				

BRITISH FUNDS

Stock	Price	%	Div	Yield	Yield
British Funds	10.00				
British Funds	10.00				
British Funds	10.00				
British Funds	10.00				
British Funds	10.00				

BANKS AND HIRE PURCHASE

Stock	Price	%	Div	Yield	Yield
Bank of England	10.00				
Bank of England	10.00				
Bank of England	10.00				
Bank of England	10.00				
Bank of England	10.00				

INTERNATIONAL BANK

Stock	Price	%	Div	Yield	Yield
International Bank	10.00				
International Bank	10.00				
International Bank	10.00				
International Bank	10.00				
International Bank	10.00				

CORPORATION LOANS

Stock	Price	%	Div	Yield	Yield
Corporation Loans	10.00				
Corporation Loans	10.00				
Corporation Loans	10.00				
Corporation Loans	10.00				
Corporation Loans	10.00				

BEERS, WINES AND SPIRITS

Stock	Price	%	Div	Yield	Yield
Beers, Wines & Spirits	10.00				
Beers, Wines & Spirits	10.00				
Beers, Wines & Spirits	10.00				
Beers, Wines & Spirits	10.00				
Beers, Wines & Spirits	10.00				

FOREIGN BONDS & RAIS

Stock	Price	%	Div	Yield	Yield
Foreign Bonds & Rais	10.00				
Foreign Bonds & Rais	10.00				
Foreign Bonds & Rais	10.00				
Foreign Bonds & Rais	10.00				
Foreign Bonds & Rais	10.00				

AMERICANS

Stock	Price	%	Div	Yield	Yield
American Stocks	10.00				
American Stocks	10.00				
American Stocks	10.00				
American Stocks	10.00				
American Stocks	10.00				

For information on the full range of services, contact our sales department. We offer a comprehensive range of financial products and services, including investment management, corporate finance, and insurance. Our experienced advisors are available to provide personalized advice and support to our clients.

سكدا من الاصل

J.P. Morgan & Co.

INDUSTRIALS - Continued

Table of industrial stocks including companies like British Petroleum, Shell, and ICI, with columns for price, change, and volume.

INSURANCE

Table of insurance companies such as British Overseas Insurance, Commercial Union Assurance, and others.

PROPERTY - Continued

Table of property-related stocks and companies including various real estate and construction firms.

TRUSTS - Continued

Table of trust companies and funds, including various investment trusts and pension funds.

TRUSTS - Continued

Table of trust companies and funds, including various investment trusts and pension funds.

TRUSTS - Continued

Table of trust companies and funds, including various investment trusts and pension funds.

YAMAICHA SECURITIES CO., LTD. Underwriters, Dealers, Brokers. Located in London, UK.

MOTORS, AIRCRAFT TRADES

Table of motor and aircraft trade companies, including various car manufacturers and aviation-related firms.

SHIPBUILDERS, REPAIRERS

Table of shipbuilding and repair companies, including various naval and commercial shipbuilders.

SHIPPING

Table of shipping companies, including various international and domestic shipping lines.

SHOES AND LEATHER

Table of shoe and leather goods companies, including various footwear manufacturers.

SOUTH AFRICANS

Table of South African stocks, including various companies listed on the Johannesburg Stock Exchange.

NEWSPAPERS, PUBLISHERS

Table of newspaper and publishing companies, including various media and information firms.

TEXTILES

Table of textile companies, including various clothing and fabric manufacturers.

PAPER, PRINTING, ADVERTISING

Table of paper, printing, and advertising companies, including various media and communication firms.

PROPERTY

Table of property-related stocks and companies, including various real estate and construction firms.

PROPERTY

Table of property-related stocks and companies, including various real estate and construction firms.

MINES - Continued

Table of mining stocks, including various metal and coal mining companies.

FAR WEST RANG

Table of Far West Range stocks, including various regional and resource companies.

FINANCE, LEAD, ETC.

Table of finance, lead, and other commodity stocks, including various financial and industrial firms.

O.F.S.

Table of Overseas Financial Services (O.F.S.) stocks, including various international financial institutions.

DIAMOND AND PLATINUM

Table of diamond and platinum stocks, including various precious metal and gemstone companies.

OILS

Table of oil stocks, including various energy and petroleum companies.

CENTRAL AFRICAN

Table of Central African stocks, including various regional and resource companies.

AUSTRALIAN

Table of Australian stocks, including various regional and resource companies.

TENS

Table of Tens stocks, including various regional and resource companies.

COPPER

Table of copper stocks, including various metal and mining companies.

MISCELLANEOUS

Table of miscellaneous stocks, including various regional and resource companies.

NOTES

Notes section containing financial news, market commentary, and company announcements.

TEAS

Table of Tea stocks, including various agricultural and food companies.

India and Bangladesh

Table of India and Bangladesh stocks, including various regional and resource companies.

Sri Lanka

Table of Sri Lanka stocks, including various regional and resource companies.

Africa

Table of African stocks, including various regional and resource companies.

MINES

Table of mining stocks, including various metal and coal mining companies.

CENTRAL RANG

Table of Central Range stocks, including various regional and resource companies.

EASTERN RANG

Table of Eastern Range stocks, including various regional and resource companies.

RECENT ISSUES AND RIGHTS

Recent Issues and Rights section containing information about new stock issues and rights offerings.

INVESTMENT TRUSTS

Table of investment trusts, including various financial and asset management firms.

TRUSTS, FINANCE, LEAD

Table of trusts, finance, and lead stocks, including various financial and industrial firms.

TOBACCO

Table of tobacco stocks, including various agricultural and food companies.

TRUSTS, FINANCE, LEAD

Table of trusts, finance, and lead stocks, including various financial and industrial firms.

INVESTMENT TRUSTS

Table of investment trusts, including various financial and asset management firms.

LIFTRUCS LIMITED TOYOTA FORKLIFT

Relative Strength CHART ANALYSIS LIMITED

Barclays pledge over S. African subsidiary

BY REGINALD DALE BARCLAYS BANK International yesterday promised to keep tighter control of its South African subsidiary after criticism from the Government.

State borrowing runs well below the 1975 level

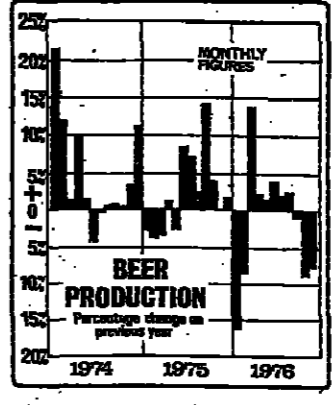
BY MICHAEL BLANDIN CENTRAL GOVERNMENT borrowing in the current financial year is continuing to run well below the level of 1975.

Table with 5 columns: 1 April-31 Dec 1975, 1976, Change, Budget forecast %

central Government borrowing £313m. or 9 per cent. against a requirement excludes money raised directly in the market by nationalised industries and local authorities.

S&N Breweries lags the field

The indications last night were that the new Exchange 12 1/2 per cent 1981 issue is going to be oversubscribed when applications open to-day, leaving the market free from the restraint of any official taps.



Scottish & Newcastle Breweries could do no more than maintain sales volume during the six months to October and as a result profits are just 15 per cent. higher at £20.48m. pre-tax.

Cavenham holding in Beaverbrook non-voters in worth less than £2m. which compared with its cash resources of £100m. or so is absolute peanuts.

The theme of the group's last two annual reports has been its efforts to "dispose of all marginal activities so as to concentrate our management and financial resources on our main-stream activities" in the food industry.

Postal boycott report

POST OFFICE workers' leaders last night refused to condemn reports that their members are to disrupt telephone calls and mail deliveries to South Africa.

Ionian to run down its banking business

BY MICHAEL LAFFERTY, CITY STAFF IONIAN Bank, one of the City's oldest authorised banks, is to cease operations and run down its existing banking business.

Government defeats censure and revolt

BY RUPERT CORNWELL, LOBBY STAFF THE GOVERNMENT comfortably beat off a Tory censure motion on its defence policies.

Two held after demand for ransom from ICI

BY IAN HARGREAVES AND MICHAEL VAN OS TWO MEN were arrested in Oxford Street, London, last night at the end of a dramatic day in which ICI had been asked to pay £250,000 for the return of vital computer software.

Newspapers halted

BY OUR LABOUR STAFF NEWS REPORTS of an article described an article by Mr. David Astor, former editor of The Observer, for a magazine called Index.

Iran barter scheme

Continued from Page 1 The more urgent projected Yarrow and Alvis contracts, also via Milbank.

Government defeats censure and revolt

moderates were the former Overseas Development Minister, Mr. Reg Prentice, who resigned from the Cabinet just before the Christmas.

Iran barter scheme

took by a separate agreement to market the oil. The matter of the Yarrow-Alvis deals is more complicated, first through the presence of the Crown Agents as the intermediary, and more seriously because of the emergence of a two-tier world oil price since the recent OPEC meeting.

Iran barter scheme

There is a precedent in the deal last year by which British Aircraft Corporation concluded a contract to sell Rapier tracked missiles to Iran against payment in oil, Shell under-

UK, TO-DAY VERY cold with snow, heavy in places. London, S. England, Channel Is. Snow, heavy at times, with drifting. Wind S.E., moderate. Max. 10C (50F).

Handwritten text in Arabic script: حذرا من الاحول

TOKAI BANK A few words about Tokai Bank's expanding international operations.